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FBIS-SOV-93-211 CONTENTS *3 November 1993*

INTERREGIONAL AFFAIRS

- Russia Wants Rubles Back From States With Own Currency *[ITAR-TASS]* 1
- 'Technical' Ruble Zone Issue Becoming 'Political' *[IZVESTIYA 2 Nov]* 1
- Growing Pressures for CIS Integration Eyed *[IZVESTIYA 28 Oct]* 2
- CIS Experts Formulate Draft Accord on Trade Policy *[ZVYAZDA 22 Oct]* 3
- Black Sea Fleet's Baltin Meets Ukrainian Navy Chief *[Moscow Radio]* 3
- ITAR-TASS Carries Press Review for 3 Nov 3

RUSSIA INTERNATIONAL AFFAIRS

- Foreign Ministry Spokesman Gives Briefing *[INTERFAX]* 5
  - Urges Fund To Support Peacemaking in CIS *[ITAR-TASS]* 5
- French Prime Minister Comments on Mosocw Talks *[Moscow Radio]* 5
- Kozyrev Aide Reports on Meeting With France's Juppe *[ITAR-TASS]* 6
- New Defense Doctrine Sees Continued Need for Nuclear Arms *[KOMMERSANT-DAILY 2 Nov]* 7
- Exchange of Environmental Intelligence With U.S. Discussed *[IZVESTIYA 30 Oct]* 8
- Tatarstan Establishes 'Constructive Dialogue' With U.S. *[INTERFAX]* 8
- Ministry Aide Clarifies Reports on Troops in Georgia *[Moscow Radio]* 8
- Krasnodar Sets Up Border Controls Along Georgia Border *[ITAR-TASS]* 9
- Crimean Institute's 'Superantiseptic' Rushed To Moscow *[ROSSIYSKIYE VESTI 29 Oct]* 9
- Foreign Policy Council Discusses East European Policy *[ITAR-TASS]* 9
  - Kozyrev: Region Remains Priority *[ITAR-TASS]* 9
  - Kozyrev Views NATO Expansion *[ITAR-TASS]* 10
- DER STERN Interviews Yeltsin on Elections, NATO *[ITAR-TASS]* 10
- Joint Commission Meeting on Ethnic Germans 'Positive' *[ITAR-TASS]* 10
- German Claims of Troops' Drug Trafficking Denied *[KRASNAYA ZVEZDA 30 Oct]* 11
- 'Ancillary' Role of Western Aid Viewed *[KRASNAYA ZVEZDA 29 Oct]* 11
- Soskovets Advances Idea of COCOM Membership *[SEGODNYA 2 Nov]* 13
- Japan Agrees To Cooperate in Nuclear Power Engineering *[ITAR-TASS]* 13
- Pacific Fleet To Continue Dumping Radioactive Waste *[ITAR-TASS]* 14
- Commentary Discusses Upcoming DPRK-ROK Meeting *[Moscow International]* 14
- Commentary Assesses UN Resolution on DPRK *[Moscow International]* 14
- Kunadze Expects To Become Ambassador to Seoul *[KOMSOMOLSKAYA PRAVDA 29 Oct]* 15
- 'Thorough' UN Inspection Finds No Hidden Scuds in Iraq *[ROSSIYSKAYA GAZETA 2 Nov]* 15

RUSSIA NATIONAL AFFAIRS

Political Issues

- Yeltsin Addresses Council of Ministers *[Russian TV]* 16
  - Paper Publishes Speech *[ROSSIYSKAYA GAZETA 3 Nov]* 18
- Council of Ministers Adopts Resolution on Reforms *[ITAR-TASS]* 21
- Chernomyrdin Holds News Conference 2 Nov *[Moscow Radio]* 22
  - To Support 'Centrism' in Elections *[ITAR-TASS]* 22
  - Advocates Open Dialogue With Media *[Moscow Radio]* 22
  - Outlines Progress of Economic Reform *[Russian TV]* 22
- Chernomyrdin Addresses Government Session *[IZVESTIYA 3 Nov]* 23
  - Addresses Privatization Conference *[Moscow Radio]* 24
- Moscow 7 Nov Rally Organizers Protest Ban *[INTERFAX]* 25
  - Communists Say They Will Not Rally *[INTERFAX]* 25
- Constitution Should Omit Federation Treaty *[ROSSIYSKIYE VESTI 2 Nov]* 25
- Yeltsin Decree Orders End to Vagrancy, Begging *[ITAR-TASS]* 26
- IZVESTIYA Editorial on 'Official Section' *[29 Oct]* 27

Ostankino Official Arrested for Taking Bribes *[ITAR-TASS]* ... 27

Military & Space Issues

Grachev Holds News Conference in Moscow 3 Nov ... 27
  Says Officers Not To Run in Elections *[ITAR-TASS]* ... 27
  Denies Resignation Rumors *[INTERFAX]* ... 27
  Says Forces Authorized Nuclear First Strike *[AFP]* ... 28
  Comments on Troops Abroad *[ITAR-TASS]* ... 28
  Comments on Baltic Troop Withdrawal *[ITAR-TASS]* ... 28
Security Council Approves New Military Doctrine *[ITAR-TASS]* ... 28
  Allows Use of Army To Defend Constitution *[ITAR-TASS]* ... 29
  Yeltsin Views Doctrine *[Moscow TV]* ... 29
  Manilov Outlines Doctrine *[INTERFAX]* ... 29
  Further Manilov Comment *[INTERFAX]* ... 30
Continuing Military Nuclear Cover-Ups Alleged *[ROSSIYSKIYE VESTI 29 Oct]* ... 30
Armed Forces Prestige Low Among Servicemen, Public *[IZVESTIYA 30 Oct]* ... 33
Furlough Incentive for Recruiting Navy Contract Personnel *[KRASNAYA ZVEZDA 2 Nov]* ... 34
Paper Launches New Feature on Military Issues *[KOMSOMOLSKAYA PRAVDA 2 Nov]* ... 34
'Cosmos-2266' Satellite Launched From Plesetsk *[ITAR-TASS]* ... 36
  Parameters Reported *[ITAR-TASS]* ... 37

Election Issues

Yeltsin's Move to New Office Augurs Called-Off Elections *[NEZAVISIMAYA GAZETA 3 Nov]* ... 37
Kostikov Opposes Early Presidential Election *[MOSKOVSKIYE NOVOSTI 7 Nov]* ... 37
Fedorov Says Coalition Government Would Mean Crisis *[ROSSIYSKIYE VESTI 2 Nov]* ... 38
Shakhray Makes Voluntary 'Declaration of Income' *[IZVESTIYA 30 Oct]* ... 39
Opposition Asks Anatoliy Lukyanov To Run for Duma *[SEGODNYA 2 Nov]* ... 39
Yavlinskiy's Electoral Bloc Holds News Conference *[Radio Rossii]* ... 40
Kozyrev Urges Four-Year Term for Parliament *[ITAR-TASS]* ... 40
Democrats To 'Spread Out' Candidates To Avoid Contest *[MOSKOVSKIY KOMSOMOLETS 2 Nov]* ... 40
Yavlinskiy Bloc Opposes Constitutional Referendum *[NEZAVISIMAYA GAZETA 3 Nov]* ... 41
State Duma May Not Be President's 'Obedient' Body *[MOSKOVSKIYE NOVOSTI 7 Nov]* ... 41
Latsis on Parties' Lists of Candidates *[IZVESTIYA 30 Oct]* ... 42
Consolidation Party Collects 60,000 Signatures *[NEZAVISIMAYA GAZETA 3 Nov]* ... 43
'Control' of Election Expenditure Lacking *[IZVESTIYA 2 Nov]* ... 44
Funding Earmarked for Poll, Referendum 'May Not Suffice' *[IZVESTIYA 2 Nov]* ... 45
Electoral Campaign Developments Reported *[ITAR-TASS]* ... 45
Rules for Foreign Observers of Elections Specified *[NEZAVISIMAYA GAZETA 2 Nov]* ... 46
Article Urges Voters To Turn Out for Elections *[PRAVDA 2 Nov]* ... 46
New Election Bloc To Field 60 Candidates for Duma *[MOSKOVSKAYA PRAVDA 2 Nov]* ... 47

Economic Issues

Premier Discusses Privatization With Oil, Fuel Chiefs *[SEGODNYA 2 Nov]* ... 48
Central Bank Chief Views Economic Situation *[Vienna DER STANDARD 2 Nov]* ... 48
Gerashchenko Criticizes 'Shock Therapy' Policy *[Vienna Radio]* ... 49
Bank Raps Media on Ban on Foreign Cash Payments *[ROSSIYSKAYA GAZETA 2 Nov]* ... 49

Regional Affairs

Trade 'State of Emergency' Proposed in Moscow *[IZVESTIYA 28 Oct]* ... 50
Impact of Ural Republic Proclamation Viewed *[IZVESTIYA]* ... 50
Yarov on Reinstatement of Sverdlovsk Region Status *[INTERFAX]* ... 51
Sverdlovsk Official Dismisses Chernomyrdin's Remarks *[INTERFAX]* ... 52
St. Petersburg's Sobchak Wants City Council Dissolved *[INTERFAX]* ... 52
No. Ossetian Politicians Brace for Presidential Race *[NEZAVISIMAYA GAZETA 2 Nov]* ... 52
No. Ossetia Removes 'Soviet,' 'Socialist' From Name *[ITAR-TASS]* ... 53
Troops Ordered To Destroy Ossetian, Ingush Gangs *[IZVESTIYA 2 Nov]* ... 53

Interior Minister Questions Role in Ossetia-Ingush *[Moscow TV]* ... 54
Chechen Border Violations by Russians 'More Frequent' *[INTERFAX]* ... 54
Armed Clashes Lead to Curfew in Groznyy *[Radio Rossii]* ... 54
Tatarstan Will Not Violate Federation's 'Integrity' *[IZVESTIYA]* ... 54
Yeltsin Decree Evokes Mixed Response in Tatarstan *[INTERFAX]* ... 54
Chernomyrdin Increases Tatarstan's Oil Export Quota *[INTERFAX]* ... 55
Moscow Pays Debt to Novosibirsk Oblast Grain Farmers *[ROSSIYSKAYA GAZETA 30 Oct]* ... 55
Komi Leader Rejects Moscow's Economic Policies *[Russian TV]* ... 55
Kabardino President Signs Edict on New Parliament *[NEZAVISIMAYA GAZETA 2 Nov]* ... 55
Details of Yakutia's External Trade Figures *[INTERFAX]* ... 56
Cherkess Association Supports Shakhray's Party *[NEZAVISIMAYA GAZETA 2 Nov]* ... 56

UKRAINE

International Affairs

Further Warhead Withdrawal Halted Pending Compensation *[Kiev International]* ... 57
Foreign Ministry Holds Briefing on Disarmament ... 57
  Dismantling at Manufacture Site Urged *[UNIAR]* ... 57
  Request for Compensation Noted *[UNIAR]* ... 57
  Russia Hampering Resolution *[UNIAN]* ... 57
Border Guard Tightens Controls Near Russia, Belarus *[Kiev Radio]* ... 57
Vice Premier Holds Trade Talks in Hungary *[Kiev International]* ... 58
Cooperation Accord Signed With Slovak Defense Minister *[Prague CTK]* ... 58
Supreme Council Delegation Visits Israel *[Kiev Radio]* ... 58

National Affairs

President Issues Decree on Stabilizing Exchange Rate *[UNIAR]* ... 59
Budget Deficit Reaches 10 Trillion Karbovanets *[ITAR-TASS]* ... 59
Kravchuk, Parliament Clash Over Plan for Bond Issue *[IZVESTIYA 2 Nov]* ... 59
Communists Mark October Revolution Anniversary *[UNIAR]* ... 60
Civic Forum Says Crimea 'Integral' Part of Ukraine *[NEZAVISIMAYA GAZETA 2 Nov]* ... 60
Press Center Recounts Weapons Charges Against UNSO *[HOLOS UKRAYINY 30 Oct]* ... 61
Law Enforcement Organs Appeal to Public Over Sect *[URYADOVY KURYER 30 Oct]* ... 61

WESTERN REGION

Belarus

Kravchanka Describes Results of Talks in UK *[ZVYAZDA 22 Oct]* ... 63
Cooperation With European Development Bank Viewed *[ZVYAZDA 26 Oct]* ... 63
Experts See No Obstacles in Monetary Union With Russia *[INTERFAX]* ... 63
National Bank Forms Group To Aid Ruble Zone Entry *[ZVYAZDA 22 Oct]* ... 64

Moldova

Snegur, CIS Official Discuss EC Agreement *[BASAPRESS]* ... 64
Snegur Issues Decree on New Minimum Salary Level *[BASAPRESS]* ... 64
Snegur Believes Russia Able To Solve Dniester Issue *[INTERFAX]* ... 64
Deputy Interior Minister Views Dniester Issues *[BASAPRESS]* ... 65
Treaty on CIS Economic Community Viewed *[BASAPRESS]* ... 65

CENTRAL ASIA

Kyrgyzstan

Akayev Issues Decree To Save Democratic Image *[Moscow TV]* ... 66
Chyngyshev on Militia's Honesty To Fight Corruption *[INTERFAX]* ... 66
Government Abolishes Censorship After One Month *[ITAR-TASS]* ... 66
Financier Dismisses Idea of Ruble Zone as 'Utopia' *[ITAR-TASS]* ... 66

Tajikistan

Opposition Shells Russian Border Guard Positions *[ITAR-TASS]* 67
Armed Provocations Continue at Afghan Border *[ITAR-TASS]* 67
Measures To Be Taken Against 'Illegal Formations' *[HOLOS UKRAYINY 28 Oct]* 67
Oppositionists Arrested; Arabic Bulletin Launched *[London AL-HAYAH 29 Oct]* 67

Turkmenistan

Niyazov, Yeltsin Hold Telephone Conversation *[ITAR-TASS]* 68
Trade, Economic Accords Signed With Tajikistan *[Dushanbe Radio]* 68
Manat Enters Circulation as New Currency *[ITAR-TASS]* 68

Uzbekistan

Russia 'Shoving' Tashkent out of Ruble Zone *[UZBEKISTAN APN]* 69
    Khamidov: Ruble Talks 'Deadlocked' *[INTERFAX]* 69
    Correspondent on Exclusion *[Moscow Radio]* 69
Joint Currency Planned With Kazakhstan *[Moscow International]* 70

CAUCASUS

Armenia

Yerevan Decides Against Sending Troops to Georgia *[Yerevan Radio]* 71

Azerbaijan

President Geydar Aliyev Addresses Nation *[Baku TV]* 71
Aliyev: Armenian Aggression 'Ominous'; 70,000 Flee *[INTERFAX]* 73
Aliyev Decree on New Defense Ministry Appointments *[Baku TV]* 74
Defense Council Holds First Meeting Under Aliyev *[TURAN]* 74
    Further on Meeting *[INTERFAX]* 74
Situation in Southeast Area Stabilizes *[INTERFAX]* 75
Armenian Forces Said Preparing for New Offensive *[TURAN]* 75
Foreign Minister Hasanov Arrives in Turkey *[Moscow Radio]* 76
People's Front Holds Rallies in Nakhichevan *[TURAN]* 76

Georgia

Shevardnadze Calls For Peacekeeping Troops *[Berlin BERLINER ZEITUNG 26 Oct]* 76
Shevardnadze Urges Zviadists To Lay Down Arms *[Tbilisi Radio]* 77
Shevardnadze Issues Decree on Fighting 'Banditism' *[Tbilisi Radio]* 77
Shevardnadze on Commitment To Retrieve Abkhazia *[Hamburg DER SPIEGEL 1 Nov]* 78
Fighting With Zviadists Continues in West 78
    Zviadists Still Control Khobi *[INTERFAX]* 78
    State Troops Prepare To Attack Zugdidi *[ITAR-TASS]* 79
    State Forces Enter Khobi *[Moscow TV]* 79
    Report on Khobi Clashes *[Radio Rossii]* 79
    State Forces Continue Toward Khobi *[Moscow Radio]* 79
    State Troops Unable To Occupy Kobi *[INTERFAX]* 80
    Zviadists Cut Off Railway *[ITAR-TASS]* 80
Roundup of Recent Military Developments *[IZVESTIYA 2 Nov]* 80
Police Join Russian Troops in Railway Protection *[ITAR-TASS]* 81
Gamsakhurdia Says Russia Seeking To Occupy Country *[Prague LIDOVE NOVINY 30 Oct]* 81
New Appointments in Areas Controled by State Forces *[Tbilisi Radio]* 82
Caucasion Confederation Sends Letter to Shevardnadze *[Russian TV]* 82
Butrus-Ghali Sends Reassurances to Shevardnadze *[INTERFAX]* 82
Red Cross Suspends Activities in Mingrelia *[ITAR-TASS]* 83
Talks Held on Exchanges of Prisoners *[Tbilisi Radio]* 83
Minimum Wage Raised; Bread Price Hike Compensated *[SNARK]* 83

BALTIC STATES

Estonia

Laar Discusses Status of Ties With Russia *[ROSSIYSKAYA GAZETA 27 Oct]* 84
    Editor Responds to Laar's Comments *[ROSSIYSKAYA GAZETA 27 Oct]* 84
Bomb Explodes Outside Tallinn Police Station *[ETA NEWS RELEASE]* 85
One Killed by Car Bomb Near Tallinn College *[Tallinn Radio]* 85
Eight Military Sites Taken Over in Paldiski *[ETA NEWS BULLETIN]* 85
Defense To Take 5 Percent of 1994 Budget *[ECONOMIC NEWS AGENCY]* 85
Parliament Decides No Law on Israeli Arms Deal Needed *[ETA NEWS RELEASE]* 85

Latvia

Saeima Passes Budget Amendments *[Riga Radio]* 86

Lithuania

Prime Minister Reviews First 200 Days in Office *[TIESA 21 Oct]* 86
Deputy Foreign Minister Januska on Economic Ties *[RESPUBLIKA 13 Oct]* 87

Russia Wants Rubles Back From States With Own Currency

LD0311115893 Moscow ITAR-TASS in English 1059 GMT 3 Nov 93

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow November 3 TASS—Turkmenistan has become the tenth of the former USSR republics to adopt its own currency.

Under the agreements signed by Russia, governments and central banks of states of the former USSR introducing their own currency pledged themselves to collect and transfer to the Russian Central Bank all cash roubles withdrawn from circulation, Vyacheslav Solovov, deputy chairman of the Russian Central bank, told ITAR-TASS. If not all the cash roubles are withdrawn, the difference will be registered as debt to Russia. This agreement was signed by Russia and Turkmenistan on June 2, 1993 in Ashgabat.

All other states having their own currencies—Azerbaijan, Belarus, Georgia, Kyrgyzstan, Latvia, Lithuania, Moldova, Ukraine, Estonia—should also restore to the Russian Bank all cash roubles replaced by the introduced national currencies, Solovov said. Latvian banks, incidentally, have already transferred to the Russian bank all cash roubles they had. Banks of Ukraine, Belarus, Kyrgyzstan transferred part of the rouble sums they have. Until now the Russian Central Bank has not urged the speeding up of the process, but its pace has now picked up.

It is important that this withdrawal takes place in a civilized way, that interstate agreements are not violated. Regrettably, this has not been avoided in the past. A coordinated monetary policy should be conducted. Quite often, Russia's partners neglected this, permitted a large emission of credits in roubles, which encouraged the inflation in the Russian market. Ukraine, for instance, acted like this in the second quarter of 1992. To protect Russia's monetary system, the Russian president then had to issue a decree to rearrange the system of non-cash settlements of the Russian Central Bank with banks of republics that were formerly within the USSR.

The rouble zone was split into autonomous parts by the introduction of interstate settlement through correspondent accounts in the Russian Central Bank from mid-last year. Coming up against difficulties in non-cash payments to Russian suppliers, entrepreneurs of neighbouring countries began to use widely payments in cash despite the restrictions that then existed in Russia. The share of cash in covering the expenditures of banks of Kazakhstan, Uzbekistan, Armenia, Turkmenistan and Tajikistan to 50-70 per cent, as against 20-25 per cent in Russia. All this had a negative effect of the monetary turnover in Russia, Solovov said. Therefore it has become essential to protect Russia's cash circulation. This task has been solved by the withdrawal from circulation of banknotes of the 1961-1992 issues. A fresh look has been taken at the notion of the rouble zone. Agreements on creating a rouble zone of a new type with rigid terms have been concluded.

'Technical' Ruble Zone Issue Becoming 'Political'

PM0211144793 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 4

[Ivan Zhagel report: "Why Russia Is Not Sharing Out the Cash"]

[Text] The talks on the creation of a single monetary area are going on virtually every day now and, as Andrey Kazmin, Russia's deputy finance minister, noted in an interview with IZVESTIYA, they now mainly boil down to the examination of a single question: Will Russia give its partners the new ruble virtually immediately or not?

The deputy minister avoided giving a concrete answer to this question. But as could be judged from what he did say, the Russian side nevertheless accepts the introduction by Kazakhstan or Uzbekistan of their own interim currencies. Russia is even prepared to help them in this. But it does not want to share its new rubles with them yet.

Such a position may seem somewhat bizarre, especially as there is a host of documents in existence, including the joint statement of the presidents of Russia, Kazakhstan, and Uzbekistan, in which they speak about the earliest possible creation of a ruble zone of a new type. However, these documents specify a number of conditions which must be fulfilled before the single ruble [yedinyy rubl] can be created. And unless we fulfill those conditions, A. Kazmin stresses, we shall effectively be returning to the recent past.

What is at issue here? We all remember well how in the first half of the year the republics demanded that Russia supply them with cash in ever-increasing amounts. That money was used in the main not to pay wages and pensions at all but to cover the trade deficit and to buy goods and raw and other materials in Russia. What actually existed was a covert form of free credit provision to neighboring countries. To prevent a repetition of this situation the conditions stipulated in the agreements must be fulfilled first.

They envisage first of all the standardization of banking, taxation, customs, and other types of legislation. To the credit of Kazakhstan and Uzbekistan, they have already practically resolved this question. But as A. Kazmin said, statutory instruments in our country are still proving more powerful than laws. The point here is not that formal adjustments are needed but that the whole ideology of monetary management must be changed.

In other words, the credit and monetary policy of all the countries and the ultimate goals of that policy must be clearly agreed. In principle Russia has already outlined those goals. For example, Russia has set itself the target of reducing the budget deficit by the end of the year to 10 percent of GDP, cutting inflation, and rejecting infusions of credit into the economy, whereas other republics have not outlined their positions sufficiently clearly here.

But how can such a fundamental question as the control of money circulation be avoided? Russia has already managed to set up a sufficiently solid barrier against the notorious forged letters of advice, whereas neighboring countries are still suffering from this problem. Incidentally, there must be a thorough analysis of all the sums of money paid into the accounts of Kazakh and Uzbek enterprises, and that will also take time.

Finally, there must be not only a comparison of the key economic parameters and a coordination of credit, financial, currency, and customs policy but also the creation of mechanisms ensuring the functioning of that system. And, no less important, it is necessary to create control organs which make it possible to monitor and adjust the work of all those mechanisms.

In short, there is still plenty of work to do. But at the same time you can understand the position of Kazakhstan and Uzbekistan, which after the Central Bank of Russia's recent exchange operation were left holding old Russian rubles, and now those republics are being used as a dumping ground for old money from all over the former Union, a practice which is simply devastating their economies. It is no coincidence that the technical question of the amalgamation of monetary systems is already becoming political. And it can be foreseen that very soon Russia's partners will accuse it of failing to fulfill its commitments.

But it is hardly right to use the old administrative methods to try to resolve the economic problems that are emerging now. If Kazakhstan and Uzbekistan do not agree to compromise here and refuse to introduce interim currencies, and Russia, acting out of a sense of guilt for the exchange operation, gives them new money prior to the coordination of the whole credit and monetary policy, this will also be a decision stemming from our recent past. And it will give rise to a multitude of enormous problems and mutual recriminations.

Growing Pressures for CIS Integration Eyed

PM0111115793 Moscow IZVESTIYA in Russian 28 Oct 93 First Edition p 3

[Yuriy Oleshuk article: "Russian Troops Will Not Be Given Blue Helmets for Peacemaking Operations in Nearby Foreign Parts"]

[Text] UN Secretary General Butrus Butrus-Ghali, who is in London, has stated that Russian troops will not receive a UN mandate to carry out peacemaking operations in the former USSR republics. "We will welcome their participation in operations in Asia and America, but we should send troops from Latin America, Africa, and Asia to the former Soviet republics," he said in an interview with a correspondent from the REUTER agency.

A trend toward integration is gathering momentum in the former Soviet states' relations with one another. No one any longer says that the CIS is only necessary for a "civilized divorce." On the contrary, the Commonwealth is becoming larger and stronger now. The standard bearers of complete separation—Ukraine, Georgia, and Lithuania—are now concerned with rapprochement.

In Russia this trend is regarded as something which is clearly a good thing. Are we not convinced that many difficulties are due to our disunity? A calculation has even been made: One-third of the fall in production on the territory of the former USSR is the result of ruptured economic ties. Indeed, in general integration now enjoys unquestionable authority in the world. It is considered to be the path toward a better future for everybody.

But nevertheless, should we be celebrating?

Integration is, of course, the rapprochement of many people with each other, but people most of all wish to develop a closer relationship with Russia itself. Whom does Ukraine need first and foremost in the economic union? Whom does Georgia need in the CIS? Or Azerbaijan? Whom does Lithuania need as a target for expanding economic ties in the east? Everybody needs Russia.

"Russocentrism" is only natural. Russia is the major economic, political, and military force in the arsenal of the former USSR and a resource for the nearby foreign countries, which are going through difficult times.

But it is here that the difficulties begin for the process of integration. Russia was the embodiment of an imperial country, and was so for a very long time. It is only natural that suspicions of imperial ulterior motives have not yet vanished. Moreover, Russia is a country which is not just large but enormous. It is immeasurably larger and stronger than the nearby foreign countries. Remember the words of Leonid Kravchuk: "We are sharing a bed with an elephant." It is Ukraine, the largest of them, that sees things like this. What about the others? Russia does not know what it is to feel fear of a much stronger neighbor. That fear is only natural.

So it is obvious that if Russia is active in the process of integration—which seems to be to its advantage—this may arouse suspicion in the nearby foreign parts. On the one hand Russia is, so to speak, at the helm of integration, but on the other hand precisely this may be a hindrance to it. This flattering feeling that we are again at the center of things and that everybody needs us is insidious. It is a gift of fate.

Is it not better to refuse this gift, to take a line, so to speak, of constructive passivity? The essence of this line is to show minimum enthusiasm over creating an integration structure, leaving this to the other, smaller states.

Of course, without allowing a structure to be created which harms our interests. But aside from this, let others take the active role. It is not a question of tactics here but a question of the very viability of the whole enterprise. It is a question of ensuring that people believe in the structure and consequently make expedient use of it, that the people who build it are those who may distrust and fear it. They will incorporate every imaginable guarantee and safety mechanism. That's fine. Good luck to them. And if they overload the structure with them so that it becomes a mere shell, let them finish the job properly themselves.

When a big state becomes involved in the affairs of a smaller one even purely in the economic sphere, leaving aside any political or military involvement, people in the smaller state will begin to hold it responsible for the general situation. If this is bad, it will be to blame. Russia is in danger of becoming a scapegoat twice over.

The chronic alienation of the Russian man in the street from politics and from participation in state and public affairs and the resultant absence in the mass consciousness of faith in individual efforts have led to a situation where the mass of people connect the future prospects for an improvement in their lives exclusively with large-scale political, social, and organizational "action" taken from above.

I am afraid that integration may become the next totem of this faith in the top authorities' lifesaving role. According to polls, many people now consider that the Union's collapse was damaging. Is this not a precondition for pinning thre greatest hopes on rapprochement? And believing in it as a panacea?

There are two possible outcomes. One is catastrophic: the restoration of unity by force. The other is not so disastrous, though it is also dangerous: to be as active as possible in encouraging integration—the closer, the better. That is, Russia should take on the role of an organizer and "lobbyist" for integration—a role which is fraught with the danger of having the opposite effect.

CIS Experts Formulate Draft Accord on Trade Policy

WS0211150493 Minsk ZVYAZDA in Belarusian 22 Oct 93 p 3

[Report by Viktar Dzyatlikavich: "The First One. Is It the Hardest One?"]

[Text] A session of CIS experts was held in Minsk from 9 to 22 October within the framework of the CIS Executive Secretariat was held. They have discussed the draft agreement "On Coordination of Policy on Prices and Taxes." The draft agreement foresees that the banks will use the single 20 percent tax on the added value, will withdraw from imposing duties on mutual deliveries of goods, and will cancel dual taxation.

The draft agreement says that "contract prices will be used in mutual trade relations. In case of emergency, the parties will coordinate prices on the most important goods in the interstate deals."

The draft agreement will be forwarded for consideration to the CIS Coordinating-Consulting Committee, and the heads of the CIS states will likely sign it in Ashkhabad.

Black Sea Fleet's Baltin Meets Ukrainian Navy Chief

LD0211201993 Moscow Mayak Radio Network in Russian 1930 GMT 2 Nov 93

[From the "Radio Slavyanka" program of the Russian Defense Ministry]

[Text] A meeting between Admiral Eduard Baltin, commander of the Black Sea Fleet, and Vice Admiral Volodymyr Bezkorovaynyy, commander of the Ukrainian Navy, has taken place behind closed doors. The Black Sea Fleet press center has reported that issues of mutual relations and interaction between Black Sea seamen and Ukrainian seamen were discussed at the meeting, which lasted for more than three hours and was held in an atmosphere of goodwill

ITAR-TASS Carries Press Review for 3 Nov

LD0311071893 Moscow ITAR-TASS in English 0537 GMT 3 Nov 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow November 3 TASS—Leading newspapers continue to give an extensive coverage to the electoral campaign to a federal assembly (new Russian parliament). Under the headline "Electoral Campaign Should Be Conducted Honestly and According to Civilised Rules", the KRASNAYA ZVEZDA newspaper describes the main provisions of the Russian president's decree on information guarantees for participants in the 1993 electoral campaign.

The newspaper notes that such information will enable citizens to find out whether the electoral campaign proceeds according to established rules.

The PRAVDA newspaper runs results of a poll among 258 Muscovites. Eighty per cent of respondents do not know for whom to vote, and 51 per cent believe that the elections are unjust and undemocratic.

Radio and television, the newspaper notes, invite Muscovites to come to a place where the "Choice of Russia" party (pro-Yeltsin organisation) collects signatures for its candidates.

The same newspaper carries an interview with Agrarian Party leader Mikhail Lapshin entitled "Does a Peasant Need Politics?" Lapshin expresses concern over Boris Yeltsin's decree on regulating land relations and developing the agrarian reform in Russia.

"What is the need to make haste over the decree when we need a law on land?" the agrarian leader asks. "After the elections, it will be possible to work on a draft at a state duma (lower chamber of parliament), to publish it and to put on an nation-wide debate.

"The law should clearly lay down: land should remain in peasants' possession," Lapshin claims. "Peasants were granted the right to sell land. It is clear what will be the outcome of this permission."

Under the title "November 7. Unconditional Right to Demonstration", PRAVDA runs a statement by participants in an international round table. The document was signed by members of the American Committee for Democracy and Human rights in Russia S. Weissmann, E. Boman, R. Stone, A. Cheese, M. Weitz, European Parliament Deputy L. Castellino, etc.

"Far from all of us share ideas of parties and movements which tendered an application to the Moscow authorities for a march and rally in Moscow on November 7.

"Nevertheless, we are convinced that the disregard by authorities for the lawful rights of these citizens means recognition by them of a rule of totally undemocratic orders in present Russian society.

"The refusal by authorities to grant such a right to citizens professing left-wing ideas provokes bloodshed in Moscow streets, the entire responsibility for which will rest with the present executive authorities of Russia and Moscow," the newspaper writes.

KRASNAYA ZVEZDA features an interview with logistics chief of the Russian Armed Forces Vladimir Churanov who says that "the limited financing of the Army's and Navy's needs is, in fact, the main reason for a tense situation with supplies of troops," Churanov claims.

The KOMSOMOLSKAYA ZVEZDA newspaper features an interview with Press Minister Vladimir Shumeyko. Asked about his assessment of the October 3-4 events in Moscow, the minister replied: "This can be appraised as a move towards true democracy, a bloody and tragic move at that.

"It cannot be regarded either as a victory of democracy or its beginning. The beginning is already in the past, and there was no victory," Shumeyko stressed.

PRAVDA carries an article by former legislator Yuriy Lodkin who went to the parliament building on a peacemaking mission and who landed in a prison cell. "Life in our 'democratic' country does not mean anything," the former legislator draws a conclusion after he was released from the Petrovka 38 prison.

"We could have been shot and killed any time by 'glorious defenders of people', that is members of the Vityaz detachment (riot police unit). Languishing in jail, I heard many times the notorious command: 'One step left or one step right, and I'll shoot'.

"I understand now that that could have happened any time. Then, it would have been a trifling thing to pass us as 'fascists or red- brown shirts'... The dead cannot testify after all."

An article by Alexey Khorev published by KRASNAYA ZVEZDA deals with the national character of the Russian people. "National egoism is alien to our Russian nature. But we have always been full of national pride," the author writes.

"It is unpatriotic and impermissible to downgrade and weaken this feeling now too. It will help us to survive and withstand at these difficult times. As it has always been the case."

The new warship Besstrashny, the construction of which is being completed by the Severnaya Verf joint stock society, will soon start running trials at sea. The newspaper NA STRAZHE RODINY describes this event which happened to coincide with the eve of the 300th anniversary of the Russian Navy.

According to St. Petersburg VEDOMOSTI newspaper, the management of the St. Petersburg "11th channel" TV programme started talks with their counterparts from the "Moskva-6th channel" programme on the joint use of three-hour programmes which include cnn news in Russian, a foreign film and a music programme.

Foreign Ministry Spokesman Gives Briefing

LD0211185193 Moscow INTERFAX in English 1603 GMT 2 Nov 93

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Dmitriy Vosboynikov, Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text]

MOSCOW CANNOT PLEDGE TO REFRAIN FROM DUMPING RADIOACTIVE WASTE

At present Russia cannot pledge to refrain from dumping radioactive waste into seas. That is why it abstained from voting in favor of a moratorium on such dumpings in 1985, as Japan did, though Tokyo has observed that moratorium. This statement was made at Tuesday's briefing in Moscow by a spokesman for Russia's Foreign Ministry, Mikhail Demurin.

Russia's "long-term goal is to stop burying its radioactive waste in the seas which adjoin its territory," he pointed out. "However an appropriate infrastructure should be built for this purpose. We will try to build such an infrastructure by 1997, but our movement toward this goal would be faster with corresponding international aid," Demurin said.

In comments on the statement made by Japan to confirm its decision to refrain from dumping radioactive waste Demurin said that "it is not clear precisely to what it relates." "If it includes the pledge to refrain from dumping the radioactive waste produced by Japan's 16 acting nuclear-power plants, it's a big new initiative," he said. "But if it means a pledge to refrain from dumping the waste produced by the nuclear reactors on its ships, Japan already observes that moratorium and buries such waste in its own territory, and so there is nothing new in this."

...URGES AGAIN THAT DUSHANBE BEGIN DIALOGUE WITH OPPOSITION...

Russia is sure that the constructive dialogue between the Tajik government and the political forces of different orientations is the best way of achieving civil accord and peace in the republic, said Demurin.

He said that the deputy Russian Foreign Minister Anatoliy Adamishin, who as Yeltsin'a special envoy visited Tajikistan, proceeded from these positions while conducting a dialogue in Dushanbe.

The two sides confirmed their preparedness to continue due protection of the Tajik-Afghan border, where the situation is still tense, he said.

Collective peace-keeping forces created by the decision of September 24 of the Council of the CIS Heads of State acquires a particular importance, said Demurin. These force observing strict neutrality, are called upon to help create favorable conditions to stabilize the situation in Tajikistan.

...AND HOPES FOR A SUCCESSFUL MIDDLE EAST MEETING...

The Russian Foreign Ministry official spokesman also said that the fourth plenary meeting of the multilateral working group for control over armaments and Middle East security would open in Moscow on Wednesday.

Demurin said the meeting would be opened by Russian Foreign Minister Andrey Kozyrev. Further on the meeting will be chaired by turns by the Deputy Russian Foreign Minister Boris Kolokolov and the Assistant U.S. Secretary of State for Military and Political Matters Roberto Gallucci.

The Russian spokesman has said the delegates will discuss possible measures aimed at the Middle East settlement, including long-term goals, declarative confidence-building measures, the earlier discussed criteria for information exchange and informing in advance of certain types of the military activity.

Urges Fund To Support Peacemaking in CIS

LD0211153593 Moscow ITAR-TASS in English 1415 GMT 2 Nov 93

[By ITAR-TASS diplomatic correspondents Boris Krivoshey and Vladimir Suprun]

[Text] Moscow, November 2 (TASS)—Russia suggests to create a voluntary fund for support of peace-making on territory of the former Soviet Union under the U.N. aegis. Still, it is not expected to be financed by the United Nations organization, deputy head of the Russian Foreign Ministry's Information and Press Department Mikhail Demurin told a briefing here today.

The reason for this idea is that Russia is the only state involved in all peace-making operations on territory of the former Soviet Union and finances the majority of them on its own, said the diplomat.

In his words, the fund may be formed with voluntary donations of interested states, international and regional organizations.

Demurin noted they are actively working on the fund idea together with partners. A certain understanding has been reached, but the sides "have not completed a stage of preliminary consultations," said Demurin.

French Prime Minister Comments on Mosocw Talks

LD0211213993 Moscow Mayak Radio Network in Russian 1630 GMT 2 Nov 93

[News conference by French Prime Minister Edouard Balladur on results of his two-day visit in Moscow on 2 November, withn introduction by station correspondent; Balladur remarks in French fading into Russian translation—recorded]

[Text] French Prime Minister Balladur has completed his talks in Moscow. Today he was received by President Boris Yeltsin. The essence of the special relations between the two countries remains intact. That is how Russian Foreign Minister Kozyrev described the talks. This is what the French prime minister said as he summed up the talks at a news conference today:

[Balladur] We discussed the serious problems that exist in Europe. Everyone is aware of the transformations that have taken place in Europe over the past few years. These transformations have created a new situation, which has entailed a number of factors giving rise to instability and the need to build a peaceful, open Europe, a balanced Europe, where a climate of cooperation and trust prevails between the peoples inhabiting it.

In the French view, Russia, bearing in mind its history, possibilities, and prominent place in world affairs, must play a vital part in ensuring stability and balance in Europe. It was in that spirit that we discussed with our partners a draft pact on stability in Europe. Russia will be a most important partner for ensuring the success of this initiative and will, of course, attend a conference next year if a decision is adopted in December at the sitting of the Council of Europe and if, after that, a decision is adopted by the foreign ministers of the Twelve.

I informed my partners about the progress of the discussions within the European Community, which took place on 29 October. This December, the European Community will adopt a decision on convening the conference. We have adopted a decision to maintain contacts with each other on the matter.

We also broached the question of the need to use all existing institutions, without creating new ones, to ensure peace and stability in Europe. That is how matters stand regardimg the CSCE, in which Russia and France will jointly seek to strengthen their roles, specifically, as far as maintaining peace is concerned. In the same spirit, we considered Russia's wish to fully participate in the work of various world organizations. I indicated that France favors, on principle, a meeting of the G-7 finance ministers, which could be held in January next year, to study the implementation of the decisions made in Tokyo and the problems connected with the provision of aid by the international community for the purpose of developing Russia.

Second, we summed up our bilateral relations. These relations are varied. You are aware of that. We have many cooperation programs. We have a weakness for regarding these programs as exemplary. I insisted on France's active participation in the program of economic reforms begun by the Russian Government. France's total aid through various channels of financing has reached 30,000 million francs since 1990. This means an amount in the order of $5-5.5 billion.

Apart from that, France has played a vital part in the Paris Club's examination of the problem of the Russian debt. Many French enterprises have made capital investments and are prepared to continue to do so in such sectors as banking, the aerospace industry, and power engineering.

We discussed the means of activating their participation and of acting so that they could make use of the same benefits as the companies of other countries. It is not just a question of large companies; an active part is also played by the medium- and small-sized French companies that have found a place in the Russian market. We also summed up aid with dismantling weapons, and France will assign 400 million francs to that purpose.

Third, I told my interlocutors about the intentions and the sympathy with which France is following the cause of democratization and economic reform in Russia. That cause experienced difficult days several weeks ago, and France immediately revealed its solidarity with the Russian Government, and President Yeltsin kindly thanked us for that. He thanked both the president of the republic and the Government of France. As we see it, President Yeltsin and his government embody legitimate democracy, and this will also be the case with the parliament that will be created as a result of the 12 December elections. When we are asked to help set up a law-governed state, we are ready to provide such assistance as long as the help is essential, and the French parliament is ready to send its observers to the elections on 12 December.

Thus, it is a message of support for the democratic process that we have conveyed to President Yeltsin, and I think that that message was well received and well understood. This year, we are marking the centenary of the Franco-Russian alliance. I have opened an exhibition in Paris on the subject, at the Hotel des Invalides, and I was present at the opening this morning of a similar exhibition in Russia.

I am glad to note that we can give fresh impetus to our relations, since the foundations have been created for a more direct dialogue and our desire for cooperation, within the continent of Europe and outside it, will be strengthened as a result of these talks.

These, ladies and gentlemen, are a few general points with which I wanted to acquaint you.

Kozyrev Aide Reports on Meeting With France's Juppe

LD0211190393 Moscow ITAR-TASS World Service in Russian 1613 GMT 2 Nov 93

[By ITAR-TASS diplomatic correspondent Georgiy Shmelev]

[Text] Moscow, 2 Nov (ITAR-TASS)—Andrey Kozyrev and Alain Juppe, heads of the foreign political departments of Russia and France, met today to discuss bilateral Russian-French relations and the current international and regional issues. Galina Sidorova, a political adviser of the Russian foreign minister, told ITAR-TASS and INTERFAX correspondents after the meeting ended that, in the opinion of the two sides, "the time has come when these relations should acquire a thoroughly concrete and regular character and a forward movement, and the way should be opened for closer and more fruitful types of links." In doing this, economic ties and encouragement for business activities "will be regarded as a priority," Galina Sidorova said. More specifically, the ministers said it is necessary to complete in the near future the work on two major documents aiming to facilitate business between the two countries—a new agreement on avoiding dual taxation and another on the reciprocal protection of investments. The ministers said they are confident that it will be possible to resolve the outstanding questions at the next round of Russian-French consultations and to sign a new agreement on dual taxation at the beginning of next year.

The ministers described the cooperation in space projects between Moscow and Paris as "very promising" in terms of developing bilateral cooperation, G. Sidorova said. The two countries have 20 years of experience of cooperation in space and they confirmed their readiness to develop traditional links and search for new fields and possibilities.

During Andrey Kozyrev's official visit to Paris last month, the Russian side suggested the idea of coordinating military doctrines. In the ministers' opinion, it is now starting "to take shape"—especially so in light of the visit to France of the Russian Federation's first deputy defense minister, planned for November 1993, and the visit to Moscow of the French defense minister scheduled for the beginning of next year. This will enable the two sides "to have a more intensive dialogue on this issue."

Andrey Kozyrev and Alain Juppe also discussed the situation around Libya and issues connected with drawing up a resolution on the sanctions with regard to that country, "taking into consideration primarily the economic aspects of the issue," G. Sidorova said in conclusion.

At the request of the French minister, Andrey Kozyrev informed Alain Juppe of the current situation in the Russian Federation and the correlation of political forces in the run-up to the December elections.

New Defense Doctrine Sees Continued Need for Nuclear Arms

MK0211134093 Moscow KOMMERSANT-DAILY in Russian 2 Nov p 4

[Georgiy Bovt, Aleksandr Koretskiy report: "Elaboration of Military Doctrines of Russia and United States. Russia and the United States Think Nuclear Arms Will Prove Useful Yet"]

[Text] On 30 October Defense Secretary Les Aspin stated the U.S. intention to overhaul its military doctrine both in the field of conventional arms and strategic forces. Notably, Aspin's statement was aired precisely during the evolvement of Russia's military doctrine, whose authors also intend to adapt the strategic thinking to new realities. Incidentally, whereas in the past America was trying to offset the Warsaw Pact preponderance in conventional arms by "nuclear deterrence," now Aspin states that "we are unrivaled in conventional weapons." Russia obviously must decide now whether it should emphasize "nuclear deterrence." While work on the doctrine in Moscow is far from over, its final version may no longer have room for a "not to be the first to use nuclear arms" provision.

Aspin declared the need to revise the views on the size, structure, and objectives of all types of nuclear forces, as well as approaches to matters of security and arms control. The United States proceeds from the fact that while there is no longer either the USSR or the Warsaw Pact, the world has not gone nuclear-free. The Pentagon chief believes that the nature of the nuclear threat has fundamentally changed: the probability has increased of losing control over nuclear arms, their "creeping" around the world, and their even ending up in the hands of "nuclear terrorists." Also obsolete in this connection is the old "nuclear deterrence" doctrine based on the fact that, first, the enemy had to be clearly identified; second, the enemy was acting on the basis of rational decisions.

Nowadays, the United States intends to pay greater attention to nuclear weapons nonproliferation and its control (including countries of the ex-USSR), as well as the elaboration of systems of flexible reaction to the rapidly changing world "nuclear map." A preliminary analysis of Aspin's statement gives grounds for the conclusion that the United States will go into these problems somewhat deeper, regarding doctrine, than the authors of the Russian document. First Deputy Defense Minister Sergey Kokoshin stated the other day that the strengthening of nuclear security is the priority of the military agency, but it seems that the draft of the Russian document pays insufficient attention to a conceptual elaboration of "new nuclear threats." In the meantime, programmatic provisions ought to be reflected in streamlining the structure, number, and priorities of strategic forces. For example, the United States, having altered its attitude to the SDI, has already gambled on the GSPALS based on modernized ground-based ABM systems with Patriot missiles (which may contradict the 1972 ABM Treaty between the USSR and the United States). Having the more effective S-300 system, Russia, according to available information, has so far declined changes in its ABM system.

The desire to adapt to the new international situation, the growing threat to the treaty on nonproliferation of nuclear arms, and the appearance of "terrorist countries" are propelling the developers of the Russian doctrine toward the conclusion that the principle of not being the first to use nuclear weapons should be renounced. Most probably, this will be made by simply not mentioning the principle in the text of the doctrine.

In practical terms this signifies that a strike at Russia's nuclear installations, using even conventional weapons, may draw a nuclear strike. Russia is also being objectively propelled to stress "nuclear deterrence" by the situation in its conventional forces, whose modernization is very far from having been completed.

Exchange of Environmental Intelligence With U.S. Discussed

PM0311111393 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 7

[Gennadiy Charodeyev report: "U.S. and Russian Intelligence Services Go Green"]

[Text] The U.S. Central Intelligence Agency and the Russian Foreign Intelligence Service [FIS] are discussing the possibility of exchanging photographic information obtained from spy satellites with the aim of protecting the environment, so AP reports.

CIA Director James Woolsey stated that his department has pictures of Lake Baykal which could be given to the Russians in exchange for pictures of the Great Lakes of the North American continent.

An FIS spokesperson in Moscow confirmed to IZVESTIYA that the question of possible cooperation in the sphere of ecological security has been raised during meetings between Dr. Woolsey and [FIS Director] Academician Primakov. However, there is no question at this time of any specific proposals having come from the Americans for an exchange of photographs of the Great Lakes and of Baykal. Yevgeniy Primakov lacks the "dedicated" technical potential—spy satellites—needed in the given instance "We are not into aerial photography. That is in fact done by the military," the intelligence people told us.

Military intelligence—the Main Intelligence Directorate—does not answer such questions from journalists...

Tatyana Samolis, press secretary to the director of intelligence, elaborated:

"Obtaining secret ecological information for the country's government bodies is one of our service's tasks as defined in the law 'On Foreign Intelligence.' At least, our specialists' reports regularly appear on Yeltsin and Chernomyrdin's desks. Ecological information is exchanged not only with the CIA, but also with the special services of West European, Middle and Near Eastern, and even African countries. It is too soon to talk specifically on this topic—everything is just beginning."

Tatyana Samolis also informed us that a group of ecological experts is being formed inside the FIS to organize cooperation with its foreign colleagues, and also to process and analyze information arriving via intelligence channels, forecast ecological disasters, and make recommendations.

Tatarstan Establishes 'Constructive Dialogue' With U.S.

LD0211213293 Moscow INTERFAX in English 1925 GMT 2 Nov 93

[Text] Tatarstan's Vice-President Vasiliy Likhachyov, back from a visit to the U.S.A., told a press conference in Kazan today he "established a constructive dialogue with the U.S. congress." He did not rule out that Tatar President Mintimer Shaymiyev could meet with President Bill Clinton in the near future. Likhachyov pointed out that American experts believed the republic a promising region in both political and economic meanings of the word.

The vice-president said the visit focused on joint conversion programs. The chairman of the Tatar Industrial Enterprises' Association, Yuner Yemaletdinov, said that the U.S. state investment company "Opic" was ready to grant Tatarstan $[illegible]00 million for specific projects. Prior to this, the com[illegible] granted twice this sum to Russia.

The press conference was also told that US businessmen will come to Kazan in December to finalize the conversion and other joint programs.

Ministry Aide Clarifies Reports on Troops in Georgia

LD0211211493 Moscow Mayak Radio Network in Russian 1930 GMT 2 Nov 93

[From the "Radio Slavyanka" program of the Russian Defense Ministry]

[Text] Fierce battles are continuing in western Georgia between government troops and former President Zviad Gamsakhurdia's formations. In the meantime, so-called independent sources in Moscow have been spreading deliberately mendacious information on the participation of Russian troops in the combat operations on Eduard Shevardnadze's side.

Here is what Mikhail Demurin, deputy head of the information and press department of the Russian Foreign Ministry, has to say on this:

[Begin Demurin recording] Indeed, we have recently noticed it ourselves. The mass media began to carry reports alleging that Russian servicemen were taking a direct part in the combat operations in western Georgia, on the side of the government troops. References were being made in this context to the Moscow accords between the heads of Russia and three Transcaucasus states concerning joint protection of the main Poti-Tbilisi-Yerevan and Poti-Tbilisi-Baku railroad to ensure its functioning.

Indeed, instructions were given to the Russian defense minister to make manpower and other resources available from the group of Russian troops in the Transcaucasus, to be used jointly with the Georgian, Armenian, and Azerbaijani subunits with this purpose in mind.

According to available information, the Russian troops have taken under their protection the most vulnerable sector between Poti and Kutaisi. Generally speaking, they did this without waiting for the arrival of the peacekeeping forces from Armenia. It is, however, important to emphasize that the matter of Russian troops' participation in the Georgian civil war does not and cannot arise. [end recording]

Krasnodar Sets Up Border Controls Along Georgia Border

LD0111143493 Moscow ITAR-TASS World Service in Russian 1256 GMT 1 Nov 93

[Text] Krasnodar, 1 Nov (ITAR-TASS)—Frontier controls were introduced in Krasnodar Kray today. A frontier zone has been established along the Russian Federation's state frontier with the Republic of Georgia, stretching from the frontier to the left bank of the river Mzymta. Warning signs will be put up on the roads entering the frontier zone, and entry into the zone will be by special pass only. A list of populated settlements located in the frontier zone has been endorsed.

The decision issued by Nikolay Yegorov, head of the kray administration, says that this has been done to make it easier to guard the state frontier and to coordinate the activities of federal and kray bodies involved in its protection.

Crimean Institute's 'Superantiseptic' Rushed To Moscow

PM0211141193 Moscow ROSSIYSKIYE VESTI in Russian 29 Oct 93 p III

[Unattributed report: "Superantiseptic"—from the RETSEPT section]

[Text] A package weighing only 100 grams has been sent from Simferopol to Moscow with thorough precautions, as if it were a priceless cargo. It contains several packs of Miramistin—an antiseptic whose properties are many times superior to comparable medicinal preparations.

It was developed at the Crimean Medical Institute's Department of Microbiology under the direction of Yuriy Krivoshein, head of the department, a holder of the Ukrainian State Prize. In clinical tests the medicine showed its high efficacy in the treatment of septic wounds, burns, and even AIDS. But the production of the preparation is still only in its infancy.

As soon as people wounded during the recent tragic clashes in Moscow began to arrive at the Sklifosovskiy Institute, its specialists remembered Miramistin and phoned Simferopol. Without a second thought the Crimean scientists began to make up the packs. One hundred grams of the medicine diluted in 1,000 liters of saline [fiziologicheskiy rastvor] is enough to aid many hundreds of wounded people.

Foreign Policy Council Discusses East European Policy

LD0311094093 Moscow ITAR-TASS in English 0759 GMT 3 Nov 93

[By ITAR-TASS correspondent Georgiy Shmelev]

[Text] Moscow November 3 TASS—The Foreign Policy Council is holding its regular meeting at the Russian Foreign Ministry, which is chaired by Foreign Minister Andrey Kozyrev. The topic of the meeting is "Eastern Europe in a new situation and Russia's foreign policy."

As a result of profound changes in the political and economic life of central and East European countries over the past several years, Russia is now facing the priority task of radically revising and re-considering its national interests in that area, its place and role in the East European policy of the Russian Federation. Russia is interested in the development of good neighbourly relations with those countries, which is determined, in the first place, by the geopolitical situation of the region, the need for creating a continental security and cooperation system and the profitability of economic relations with East European states.

The task of the Foreign Policy Council, created on the initiative of the Russian Foreign Ministry last summer, is "to analyse and assess the processes taking place in the world, as well as the performance of Russia, and of the Foreign Ministry in particular, in the international arena." It is made up of the leading political scientists, economists, business people, journalists, scientists, clergymen and cultural personalities.

Kozyrev: Region Remains Priority

LD0311115693 Moscow ITAR-TASS in English 1054 GMT 3 Nov 93

[By ITAR-TASS diplomatic correspondent Georgy Shmelev]

[Text] Moscow, November 3 (TASS)—The first stage in establishing a new type of relations between Russia and East European countries has been completed. Eastern Europe remains a priority for Russia, Foreign Minister Andrey Kozyrev remarked on Wednesday at a meeting of the Foreign Policy Council in Russia's Foreign Ministry.

Russia's relations with East European countries are being formed in three stages, the minister said. The first stage was to clear away all the vestiges of the former "socialist camp". The second stage is the establishment of a new base for political relations. The third stage is the development of mutually beneficial trade relations.

The most important thing for Russians and East Europeans is to "look to the future", Kozyrev said. We must concentrate on the elements that unite us, which are our common efforts to achieve democracy and a market economy, a desire to live in a peaceful and stable Europe, and the need for mutually profitable economic relations.

Kozyrev Views NATO Expansion

LD0311134893 Moscow ITAR-TASS in English 1303 GMT 3 Nov 93

[By ITAR-TASS diplomatic correspondent Georgiy Shmelyov]

[Text] Moscow November 3 TASS— Foreign Minister Andrey Kozyrev opposes the idea of expanding NATO by admitting East European countries and leaving Russia out.

"The expansion of NATO membership without its participation does not suit Russia even if this is not aimed against us", he told the Foreign Policy Council of his ministry on Wednesday.

Kozyrev added that Russia cannot ban East European countries from joining NATO. "The time of dictatorship of the 'Brezhnev doctrine' has passed together with the Soviet system", he stressed and added that Russia and Eastern Europe have the same strategic task before them—to get a worthy place among the industrialised democratic nations.

He added that this objective should be implemented in cooperation, rather "than by elbowing each other".

Russia is working for a Western understanding of its position, he said and stressed that the US "partnership for peace" initiative supported by many NATO members is a proof of that.

Kozyrev hopes that Russian relations with the West will pass the test of the "Central and Eastern Europe" and urged to work with such plans as the "partnership for peace" and the "plan of Balladur", the French prime minister.

"Without a timely and insistant stake on alliance with the West Russia would hardly avert not only now, but maybe earlier the expansion of the old and the creation of new closed military- political groups not only along the CIS borders, but possibly, closer to the current Russian borders", Kozyrev said.

DER STERN Interviews Yeltsin on Elections, NATO

LD0211131793 Moscow ITAR-TASS in English 1259 GMT 2 Nov 93

[Text] Bonn November 2 ITAR-TASS—Russian President Boris Yeltsin said the main danger of the early October violence in Moscow was that "the adventurism of the Khasbulatov-Rutskoy gang very nearly pushed Russia into civil war". The Russian president spoke in an interview which the German magazine "DER STERN" will publish in the issue to appear on Thursday.

Yeltsin said the danger of communo-fascism must not be underestimated. Even if they fail to revive in full force, "they are still capable of causing great harm to the country and its citizens".

Boris Yeltsin reiterated his objections to simultaneous presidential and parliamentary elections because "it is impermissible to allow a vacuum of power to emerge". For this reason parliamentary elections will be held in December and presidential elections will take place in June 1994.

As concerns international affairs, the president said Russia favored a pan-European security system. "East-West confrontation is a thing of the past. The main danger confronting Europe now is inter-ethnic conflicts. A simple quantitative expansion of NATO, to my mind, cannot in itself liquidate these conflicts".

Joint Commission Meeting on Ethnic Germans 'Positive'

LD0211201693 Moscow ITAR-TASS in English 1806 GMT 2 Nov 93

[By ITAR-TASS correspondent Lyudmila Fomichyova]

[Text] St. Petersburg November 2 TASS—"We believe that the fourth meeting of the intergovernmental Russo-German commission on problems of ethnic Germans in Russia has passed successfully and achieved positive results," Horst Waffenschmidt, co-chairman of the German part of the commission, parliamentary stats-secretary under the minister of the interior, told a news conference held in St. Petersburg on Tuesday.

"Only in ten months of this year, the number of ethnic Germans wishing to leave Russia for Germany has decreased by 100,000 as compared to the last year. This shows that efforts made by our commission have not been wasted," Horst Waffenschmidt stressed.

In an adopted communique, the intergovernmental Russo-German commission confirmed that "all projects which are now being implemented, should be continued in 1994". A project for establishing farms for ethnic Germans near St. Petersburg, in the village of Naziya of the Kirov district of the Leningrad region, was approved for the implementation. The German side assumes the financing of the construction of cottages and enterprises, while the Russian side will ensure the initial preparation of the territory.

According to Vyacheslav Mikhailov, deputy chairman of the Russian state committee for the federation and nationalities, and a member of the intergovernmental commission, it is possible to resolve all problems of ethnic Germans discussed at the fourth meeting.

The Russian side put forward an initiative to set up a Russian-German university, and the German side is prepared to support it. Both sides came to the conclusion that it is necessary to control spending of financial resources allocated for the implementation of programs. They also stressed the importance of the fact that Vice-Premier of the Russian Government Sergey Shakhray took part in the work of the meeting and helped resolve a number of issues from the Russian side.

The fifth meeting of the intergovernmental Russo-German commission was scheduled for March 14-15, 1994 in Bonn.

German Claims of Troops' Drug Trafficking Denied

PM0211142593 Moscow KRASNAYA ZVEZDA in Russian 30 Oct 93 p 1

[Boris Soldatenko report under "From Our News Bureau" rubric: "Despite the Ballyhoo, There Are No Drugs from Russia in the FRG"]

[Text] KRASNAYA ZVEZDA has learned that a number of German mass media have disseminated a further unsubstantiated charge against the Western Group of Forces [WGF]. This time local journalists are advancing suppositions, substantiated by nobody, about the Russian Air Force's involvement in transporting drugs from Russia to Germany and Italy.

In this connection the WGF Press Center has reported that the FRG law enforcement organs have not yet turned to the WGF Military Prosecutor's Office for assistance in investigating such cases, and not one Russian serviceman has been detained on suspicion of this crime. In addition, as we were told at the Russian Federation Air Force Press Center, the possibility of transporting drugs from Russia to Germany and back is ruled out, since all aircraft and passengers undergo an obligatory Russian customs examination before departure.

'Ancillary' Role of Western Aid Viewed

PM0211171793 Moscow KRASNAYA ZVEZDA in Russian 29 Oct 93 p 3

[Igor Volosov article under the "Russia's Interests" rubric: "What Kind of Assistance Do We Need?"—first paragraph is introduction]

[Text] The author of this article, Igor Yuryevich Volosov, was born in 1960. He is a candidate of economic sciences and chose as his research topic questions of international economic relations with reference to Russia's interests. He is a section head at the Russian Institute of Strategic Research.

One problem which has been widely discussed at various levels in recent years is Western financial and economic aid for the Russian reforms. It was even once put forward as one of the most important factors determining the direction of economic policy. Even today much attention is paid to this problem. So an objective evaluation of the role of Western financial and economic assistance during the transformations in our country is necessary.

According to official statements by representatives of the G-7 countries, the success of reforms in Russia is of critical importance for the maintenance of international stability. Here the West regards financial and economic aid for reforming the Russian economy as a "good long-term capital investment." As has been repeatedly emphasized, it should first answer the real needs of Russians, and second help to create the most favorable conditions for Russia's transfer to a market economy.

This is the theory. But how do things stand in practice in this sphere?

In 1992 the Russian mass media and government representatives widely publicized the West's promise to grant our country a $24 billion package of aid. It was emphasized then that this would be the most important factor in ensuring the economic reforms' success. However, the capital actually provided turned out to be more modest than promised. Judging by the statements of Russian officials, Russia received about $14 billion last year in credits and credit lines from the Western states' governments. But Harvard Professor Jeffrey Sachs, an adviser to the Russian Federation Government, estimates the amount of aid we actually received in 1992 to be only $10 billion.

It is clear that this could not have had a serious effect on the socioeconomic situation in our country. The size alone of overdue payments on the USSR's foreign debt, which Russia to all intents and purposes has assumed responsibility for, reached almost $8.3 billion by the middle of June 1992. Consequently, the capital granted could only partially help us service the foreign debt and pay for critical imports and cannot under any circumstances be regarded as a real contribution to the reform of our economy.

On the subject of how Western aid has actually affected the progress of the Russian reforms, you cannot ignore the realities of our situation—the inefficient use of the financial resources we receive and the outflow of foreign currency from the country. Russian and foreign experts estimate that between $17 and $20 billion of the proceeds from Russian exports have found their way into Western banks.

This was how things stood in the recent past. But the agreements [illegible] in 1993 on granting Russia $43 billion are also not evidence of real aid from the West. In spite of the worsening socioeconomic situation in our country, assistance is being offered in the form of comparatively expensive credits from international financial institutions and not nonrepayable aid, which was, for example, granted during the economic reforms in Japan and Germany in the 1940's and 1950's.

For example, a large part of the Western aid announced in 1993 was an agreement to reschedule payment of our foreign debt to the tune of $15 billion. Of course, the agreement which was reached was very important for Russia. However, it does not in any way resolve the problem but merely shifts the burden of the debt to subsequent years and even makes it worse. Indeed, the Western creditor countries were not prompted to take this step for altruistic reasons but were forced into it, giving in to circumstances, inasmuch as Russia is simply not capable of paying out such sums at the moment.

At the same time a certain degree of progress can be seen in the approach of individual Western countries toward facilitating the reforms in Russia. This is dependent on the combination of strategic, military-political, and financial and economic factors which form each of these states' policies. This progress became particularly noticeable after October's events in Moscow.

The United States has in recent months noticeably stepped up its assistance for the reforms in Russia. This reflects the U.S. desire to confirm its leadership in international efforts to support the Russian reforms and was prompted by the need to increase U.S. influence on the direction of the transformations in Russia. After all, in spite of the many promises and active political support, the actual U.S. contribution to the Russian reforms has until recently been less than Western Europe's.

This has been particularly clear in the past few days. Expressing its support for the direction of the Russian reforms, the U.S. Senate adopted a bill under which countries of the former USSR should in the near future receive $2.5 billion in aid, which is, nevertheless, subject to a number of conditions.

The activation of U.S. policy has also been seen in the fact that Washington has begun to exert very appreciable pressure on its partners, urging them to assume the lion's share of economic aid for Russia. In Washington's opinion, Japan should become a "donor" state. It has the greatest financial assets among the G-7 countries. However, it has so far granted Russia 70 times less aid than Germany, and two to three times less than Italy and the United States. What is more, Tokyo is striving to limit its aid mainly to the Far Eastern region and Sakhalin Oblast in order to create conditions here to resolve the problem of the "northern territories," as the Japanese call them. True, movement is being seen in Tokyo as well. But to be frank, they are in no hurry there.

The British Government also stated its readiness to grant additional credits and double the scale of its technical assistance to our country. All told, the volume of British financial aid is estimated at $1.54 billion. British officials think that in the next 10 years Russia may become one of the largest markets for British companies. In this connection particular attention is being paid to extending bilateral trade.

Germany's contribution to facilitating the Russian reforms already exceeds 50 percent of the total contribution of all the Western states. In conditions of growing financial difficulties connected with the country's reunification as well as with falling production, Bonn is expressing its support for extending aid to Russia, but from the coffers of other Western states.

At the same time, if you analyze the nature and scale of Western aid for Russia, you come to the conclusion that what would produce a much greater effect than rescheduling foreign debt payments or even credits on favorable terms would be the abolition of all discriminatory restrictions in trade, including those from Cocom [Coordinating Committee for Multilateral Export Controls], which affect the export of Russian technology, the commercial launch of foreign satellites by our rockets, and the supply of enriched uranium, fibers, and fertilizers etc. The abolition of these restrictions would immediately allow Russia to increase its foreign currency revenue from the export of these goods and services by several billion dollars a year. This would be real money which we could spend as we deemed most appropriate. After all, Western credits and rescheduling of foreign debt repayments, although they are traditionally called aid, are in actual fact, of course, not aid in the accepted sense of the word.

Take for example the U.S. allocation of $700 million for Russia to purchase grain. It is certainly not Moscow which is receiving this money. All the dollar holdings will remain in the United States. The administration is granting the money to its own farmers and transportation companies. We receive grain as credit, for which we will subsequently have to pay up—and with interest.

This is how, or approximately how, things stand with the other Western credits. They only temporarily alleviate our problems, but in actual fact lead to them being perpetuated.

How are our attempts to break into the market for types of product which might pose a threat to the production of the leading Western countries being received? They are coming up against open opposition. For example, in the past two years the United States, under the guise of strengthening international control over the arms trade, has noticeably squeezed Russia on the arms market. But its own exports have doubled! Being a monopolist in the world market for space services, Washington is continually making statements about Russian dumping in this area, although the low price of our products and services is explained by the efficiency of our technology and cheapness of our work force.

Evidently, we ourselves should set out clearly what the real role of Western financial and economic aid should be in the reform of the Russian economy and what best caters to our country's national interests.

Such aid is definitely necessary in this deep crisis we suffering. It should be used to overcome the most acute socioeconomic problems which are of a temporary nature but difficult to resolve using internal resources. For example, to finance the critical import of medicines and spare parts for equipment which has already been purchased. Technical assistance, consultancy services, and the training of specialists in the field of market economics could play an important role. All this would make a real contribution to our reforms.

Taking these points of view into account, an assessment of Western aid for Russia should be not quantitative, expressed in billions of dollars, but primarily qualitative. It is hard even to calculate how much Russia would receive if a system of equal rights were instituted in commercial and economic relations. It is no accident that Russian Government circles do not hide the fact that the new Western credits, if they are assigned to us at all, can make only a very small contribution to reforming the Russian economy. It would make more sense if a portion of these credits were to be sent to the CIS countries to pay for Russian deliveries of currency-earning goods.

So in my view there is no particular point in pinning our hopes on Western financial and economic aid even today. It should only be regarded as a ancillary, though important, factor in the economic transformations. An absolute improvement in the socioeconomic situation in Russia can only be achieved thanks to an effective economic policy carried out by the authorities which enjoys the Russian people's support.

Soskovets Advances Idea of COCOM Membership

MK0211140093 Moscow SEGODNYA in Russian No. 73, 2 Nov 93 (signed to press 1 Nov) p 3

[Mikhail Lantsman report under the "Competition" rubric: "Russia Searches for Ways to Western High Technologies and Is Ready To Assume COCOM Obligations"]

[Text] According to POSTFACTUM news agency, Oleg Soskovets, Russian first deputy prime minister, has advanced the idea of Russia's joining COCOM (Coordinating Committee for Multilateral Export Controls, which was formed in 1949). The proposal was voiced at the 29 October closed-door meeting of the government commission for export control. Mr. Oleg Soskovets, citing the list of strategic weapons-grade raw materials, technologies, and products that was approved by the commission, said that Russia is meeting all COCOM standards for limiting the spread of dual-purpose technologies.

Despite the collapse of the Warsaw Pact and its victory in the Cold War, the United States is holding Russia "down to starvation rations" by using COCOM.

During the great standoff between the two systems, the Soviet Union bypassed the Western embargo thanks to large-scale industrial espionage. In addition to being economically ineffective, however, this method brought about disadvantageous political consequences, which undermine the international image of a new Russia. Hence, civilized ways have to be sought.

In the view of the chiefs of the Russian military-industrial sector, COCOM restrictions have lost their military and strategic importance and have been used by the West as a tool in the "unfair" competition with Russia's defense sector for sales markets. The U.S. Administration, for its part, claims that the restrictions should remain in place because Russia continues to sell military technology to destabilizing countries, such as Iran. In addition, according to some reports, Russia's defense enterprises, chasing hard-currency profits, continue to supply the Soviet Union's former strategic partners—Iraq and Libya—with spare parts and components.

Russia's joining COCOM will evidently enable the West to exercise more effective control over the export of Russian military technologies. For Russia, however, which strives to retain the status of a superpower, so high a degree of integration with the rest of the "civilized world" remains fairly problematic. A graphic illustration is Russia's threat to use its right of veto when the UN Security Council voted on the tightening of the economic boycott against Libya.

Meanwhile, Russian bureaucracy has learned to exploit COCOM just as effectively as Western firms. In particular, Russian Communications Minister Vladimir Bulgakov linked the involvement of American companies in the construction of a Moscow-St. Petersburg-Khabarovsk telecommunications line (the longest in the world) to the liberalization of COCOM restrictions. Currently, the Communications Ministry is giving the German Siemens firm preference in its equipment orders.

Japan Agrees To Cooperate in Nuclear Power Engineering

LD0211184293 Moscow ITAR-TASS in English 1650 GMT 2 Nov 93

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow November 2 TASS—Experts from Russia and Japan agreed to consider the possibility and expediency of cooperation in the field of using nuclear power for peaceful purposes, the conversion of the atomic industry, processing and burying of radioactive waste products.

According to a spokesman for the public relations department of the Russian Ministry of Nuclear Power Industry, this agreement was reached in the course of the visit to Japan of the ministry's delegation headed by Minister Viktor Mikhaylov.

The main aim of this visit which ended on Monday, was to expand scientific and technical, and economic ties between the two countries in the field of nuclear power, as well as make more concrete the memorandum for more efficient cooperation in the field of ensuring safety of nuclear power engineering and the agreement on cooperation intended to assist in the elimination of nuclear weapons, which were signed during Russian President Boris Yeltsin's visit to Japan in October this year.

In addition, in the course of Viktor Mikhaylov's visit to Japan, the two sides discussed the possibility of participation of private Japanese companies in the construction of atomic power stations with reactors of the BN-800 type in Russia, and in conversion programs carried out by enterprises of the Russian Ministry of Nuclear Power Industry.

Pacific Fleet To Continue Dumping Radioactive Waste

LD0311090693 Moscow ITAR-TASS in English 0636 GMT 3 Nov 93

[By ITAR-TASS correspondent Yuriy Grachev]

[Text] Vladivostok November 3 TASS—"The Pacific Fleet will dump radioactive waste in accordance with the existing plans in the areas of the Sea of Japan, specially intended for it and known to the International Atomic Energy Agency (IAEA), and, consequently, to the world public," Admiral Georgiy Gurinov, commander of the Pacific Fleet, has announced.

Speaking on the local radio of the maritime territory, he said: "There is no getting around the fact that the fleet has only two old tankers with limited capacities, which are full today. To continue to keep the dangerous cargo there means to threaten the natural environment and people's health, which we have no right to do. Actually, we are doing what the best developed countries are doing: they are dumping the same type of waste, sometimes even more radioactive than ours, to the world ocean."

According to Admiral Gurinov, "the lastest measurements showed that the dumping of waste has not influenced in any way the ecological situation in the Sea of Japan. Nor did it create any threat to people. The quest for more rational, more modern ways of waste dumping is anothing problem. Our scientists are now working on it, and we met with satisfaction the proposals of Japanese scientists and business people, who expressed readiness to help us and finance part of the programme for the building of capacities to dismantle obsolete nuclear submarines and render harmless the reactors, which are to be turned into scrap metal."

"We need this kind of help badly and are ready to cooperate on this basis, because such cooperation guarantees security to our nations," Admiral Gurinov said.

Commentary Discusses Upcoming DPRK-ROK Meeting

SK0311080193 Moscow Radio Moscow in Korean 1000 GMT 2 Nov 93

[Commentary by station commentator (Varely Yurkov) from the "Focus on Asia" program]

[Text] A contact between North-South delegates is expected to be held in Panmunjom on 4 November. As is known, the issue of improving relations between the two countries will be discussed at the contact.

The North-South dialogue, which had been suspended early this year due to the mutual distrust between the North and the South, was resumed on 5 October. The delegates of the North and South have already held contacts three times in Panmunjom. The issue of exchanging presidential special envoys of both countries was discussed during the contacts. Special envoys will be assigned the tasks of resolving the issue concerning disputes between the North and the South and of, above all, resolving the nuclear issue.

Regrettably, the three contacts have ended in the sides exchanging conditions. While the Pyongyang side has held that only after Team Spirit, the ROK-U.S. joint military exercise, is discontinued can the exchange of special envoys be possible, the Seoul side has held that only after Pyongyang accepts international nuclear inspections can the issue of exchanging special envoys be discussed. Thus, the North-South contact has come to a deadlock.

It is not the time to absolutely [words indistinct]. The fact that the dialogue itself between the North and the South continues is particularly important.

Above all, it is very important that Pyongyang and Seoul should know that the situation on the Korean peninsula is abnormal. There is not a sign that either side will make concessions to each other. It is difficult to foresee what tangible progress will be made in the contact to be held in Panmunjom. I think that if the contact is held as scheduled, the result will greatly affect the meeting between the U.S. and ROK defense ministers.

The meeting between the defense ministers will be held from 3 to 4 November. At the meeting, the issue of continuing the Team Spirit joint military exercise will be discussed.

According to reports, it is said that if the military exercise is discontinued, Pyongyang will review its stance on overall issues.

I would like to point out the speech recently delivered by ROK Prime Minister Hwang In-song at the National Assembly. Asked if the ROK should promote nuclear development because the DPRK is suspected of developing nuclear weapons, Prime Minister Hwang said: Under today's circumstances, nuclear development will not promote the security of the country, as well as the security of the region. Thus, we can say that all conditions needed to make progress in the improvement of North-South relations have been practically met.

Commentary Assesses UN Resolution on DPRK

SK0311130193 Moscow Radio Moscow in Korean 1200 GMT 2 Mar 93

[From "Today's Program"]

[Text] The United Nations has called on the DPRK to cooperate with the International Atomic Energy Agency [IAEA]. This call is included in a resolution on international nuclear energy adopted by the United Nations.

This resolution notes, for example, that Pyongyang has refused to meet the conditions necessary for the inspection of nuclear facilities and that this surely makes one doubt if North Korea has intentions to develop nuclear weapons.

The UN General Assembly noted that the DPRK has not fulfilled its duty of implementing its treaty with the IAEA.

The dispute between the IAEA and Pyongyang started early this year when the issue of inspecting two unreported nuclear facilities was raised. The DPRK has failed to assess the situation correctly, saying they are military facilities that have nothing to do with any nuclear program. The DPRK has considered the IAEA's demand to be a flagrant violation of the country's sovereignty.

Last March, Pyongyang announced it would withdraw from the Nuclear Nonproliferation Treaty [NPT]. It canceled this decision a little later. Nevertheless, the situation is still tense. This is because [words indistinct] prospects for development on the Korean peninsula and in the entire Asian-Pacific region.

The efforts by the United States, Russia, Japan, the ROK, and other countries to resolve this dispute did not work. Therefore, the United Nations had no choice but to intervene in the dispute. The United Nations has urged the DPRK to cooperate with the IAEA.

The resolution does not mention sanctions over the DPRK's failure to realize its duty. Still, this document is considered to be a grave warning that was issued for the sake of peace. The nuclear issue must be resolved without fail. It must be, for the sake of the DPRK and for the interests of its neighbors and the entire international community.

The DPRK has stressed that this issue can be resolved in talks between the DPRK and the United States. It has done so because it has some requests to the United States. The DPRK has asked the United States to improve bilateral relations, discontinue joint military exercises with the ROK, and allow inspection of U.S. military facilities in the ROK to verify if there are nuclear weapons.

We would like to believe that if Pyongyang and Washington have contact, it would be efficient.

Kunadze Expects To Become Ambassador to Seoul

PM0111140993 Moscow KOMSOMOLSKAYA PRAVDA in Russian 29 Oct 93 p 2

[Unattributed report: "Foreign Ministry Ahead of Changes"]

[Text] The Russian Foreign Ministry is anticipating more changes. It seems that Deputy Minister Georgiy Kunadze, responsible for the Asian-Pacific and cadre sectors of the department's activity, will shortly be leaving Moscow. He is expecting an appointment as Russian ambassador to Seoul.

Recently confirmed Deputy Minister Sergey Krylov has already taken over some of Kunadze's duties. According to an informed source, all cadre-related material is being sent to Krylov.

'Thorough' UN Inspection Finds No Hidden Scuds in Iraq

PM0211145793 Moscow ROSSIYSKAYA GAZETA in Russian 2 Nov 93 First Edition p 7

[ITAR-TASS report under the "News From Around the World" Rubric: "Baghdad"]

[Text] Nikita Smidovich (Russia), leader of the UN group of inspectors in Iraq, has announced that as a result of a "thorough inspection" lasting a month, his coworkers have found none of the Scud missiles which "were allegedly being concealed by the Baghdad regime."

The head of the mission told journalists Sunday that no missiles have been found on Iraqi territory, nor have they found any other banned types of weapons. During the inspections, according to N. Smidovich, they made use of special radars installed in helicopters which "were able to locate objects hidden beneath the ground." According to U.S. and other Western intelligence data published earlier, the Iraqi authorities had concealed over 200 Scud missiles and other weapons banned by UN sanctions in various regions of the country.

Political Issues

Yeltsin Addresses Council of Ministers

LD0211211593 Moscow Russian Television Network in Russian 1616 GMT 2 Nov 93

[Address by President Boris Yeltsin at a meeting of the Council of Ministers of the Russian Federation in the Kremlin on 2 November—recorded]

[Text] All the country's vital systems have been preserved and are working smoothly. The very dangerous process that has been destroying Russian statehood has been stopped. We have succeeded in preventing the spread of its ruinous consequences to the regions of the Russian Federation. Through joint efforts we have prevented a split in Russia itself. The most important thing now is to recognize and use to the full the new opportunities in the country.

The October events have opened up new opportunities for economic transformation. Constitutional reform has been given real stimulus through thorough transformation of Russian statehood. But the current situation can open the way for negative trends as well as for positive potential, and create new dangers for Russia. It is our duty to avoid them.

We understand fully that we embarked on tough measures, but these were necessary to safeguard democracy. We had to end the destructive activities of the Supreme Soviet and the congress and accelerate the reform of the representative bodies in the regions, otherwise the political gangrene of former Soviet power would have spread throughout the whole state and the whole of society. We had to adopt a number of restrictions and direct bans during the emergency situation in Moscow. I regard it as very important that the broad strata of the population of Russia understand and support these tough measures—even now Muscovites are asking for the emergency situation, for it to be continued a bit longer. Nonetheless, control over the activities of the executive has been seriously weakened. In fact, there is no constitutional control, and I am worried that certain officials may opt for extreme actions in this difficult situation.

I sometimes receive draft decrees and other documents which fall far short of the requirements of current legislation, pushing the powers that be toward arbitrary actions, but I say directly that such practice will never receive the support of the president.

I am amazed by recent attempts to question the very principle of the division of power, and regard this as a serious political mistake. We have just been through a tragic event, the essential cause of which was the extreme distortion of this principle by contradictions in the current constitution; let us not forget that.

I am convinced that any artificial delays of the present situation are impermissible. All institutions of a democratic state which at present are either not functioning or have been weakened, should be fully restored and, moreover, should reemerge as qualitatively new bodies in December 1993 on the federal level, and in the course of the first half of 1994 on the regional level and the level of self-management.

I confirm that the constitutional referendum will be held on 12 December. At the same time I reject reproaches to the effect that now we have no opposition. The course of the election campaign convinces one of something altogether different—the spectrum of the political positions of its participants is unusually broad and no one expected this. Nothing like that has happened since, perhaps, the 1917 elections to the constituent assembly.

The October events brought to light yet another danger: Political terrorism. It has to be acknowledged that we underestimated it and carried on with impermissible equanimity. Organizations relying on armed struggle carried out their activities openly, in practical terms. Guerrillas trained almost legally. Appeals to use force against the state remained unpunished.

A month has passed since the mutiny, but society has not been given answers to a number of important questions concerning these events, but answers must be given, not avoided. We must all of us search for the answers.

I welcome the activeness of the media, currently carrying on with their journalistic investigations. However, it is the bodies charged with protecting law and order that should play the main role here. The farcical investigation of the August putsch in the SCSE case must not to be repeated. It is essential to thoroughly investigate all the circumstances of the mutiny. All those who have blood on their conscience must be made answerable in keeping with all the severity of the law.

Esteemed participants in the meeting, the government, Russia's executive authority, must play the key role in stabilizing the situation in the country. Not infrequently, fears are currently expressed that having lost the system of checks and balances as exemplified by the legislative bodies, the government will take to harsh, revolutionary actions. However, this is not my greatest cause for alarm. It is now, at long last, necessary to start carrying out the reforms at the optimal speed and scope. It needs to be said outright that despite everything, reforms are proceeding sluggishly and without the necessary dynamism. Hesitation is still with us and decisions which at times contradict each other are adopted. All this negatively influences the situation in the economy and, what is most important, the daily life of the people of Russia.

Let me be blunt: The time when it was simply necessary to hold on to the course of reforms is gone. The task is to pursue with precision and consistency a policy to deepen the market reforms. The market in Russia is at a stage of being formed. Market mechanisms are still weak and unsophisticated. The absence of strategic action to strengthen the Russian market, restore and expand production and create the foundations of a genuinely efficient economy is particularly glaring today.

The government program in this sphere is being carried out without sufficient vigor, although there are undoubtedly promising foundations. Positive changes in stabilizing the currency rate of the ruble have been evident recently. It is important to consolidate and develop them, having in mind the final stabilization of the currency rate and the stage-by-stage achievement of the convertibility of the ruble.

One of the central issues is enhancing the manageability of the economy by the state. But it is not a matter of returning to command methods of management under the slogan of manageability, or to direct interference in the activity of enterprises. We are categorically against such attempts, especially as they are doomed to failure. It is a matter of state market regulation on the basis of maximum consideration for the interests of the commodity producer and consumer. Establishing this is a strategic task of the reforms.

One of the major steps in this area are the measures provided for in the decree on regulating land relations and developing agrarian reform in Russia. But this edict is just the beginning of the hard and crucial work which we have to do in close cooperation with the Federal Assembly and the subjects of the Federation.

In any society the land question is one of the most acute. The government must develop a specific and precise mechanism within a tight deadline for implementing the decree on the basis of its ideology. What is primarily at issue is reliable mechanisms for buying and selling land, and also protecting the rights of land owners. Every citizen of Russia should clearly understand the possibility of acquiring plots of land to work on them, the possibility to manage them, and the possibility to inherit them and obtain the means of subsistence by leasing out land. All the necessary factors have to be taken into account here, including both regional and moral factors.

One of the serious lessons of recent events lies in the fact that there were times when we did not pay due attention to social problems. Not only crooks and political adventurers took to the streets of Moscow on 3 October. Among the protesters were those who had lost hope and had fallen into despair, and to some extent we are to blame for this.

Why did the government practically resign itself to the fact that millions of people were not getting their salaries, pensions or grants for months on end? Why were a great many employees of the government-financed sector, health care, culture, science and education driven to a desperate financial situation? After all, we are talking about implementing decisions taken by us—presidential decrees and governmental decisions. They do not solve all the problems, but can serve as a reliable shield against social upheavals.

I would like to stress that all these matters are related to preserving civil peace in Russia, and hence state security. We are now working together on preparing a package of edicts of a social nature: On a system of minimum social guarantees, the introduction of low-income allowances, measures for targeted social security for the population, a subsistence wage, minimum salaries, minimum pensions and charities, and others. It is necessary to speed up the drafting of a package of measures to protect citizens' economic rights, first and foremost the right of private ownership. This will include protection of the rights of shareholders, check and investment funds, and the creation of guaranteed funds for the protection of private savings.

Literally, something like a breakthrough is needed for the section of reforms that is as specialized as housing construction. People forgive us for very much, understanding the complicated conditions in which we are carrying out the reforms, but let us not abuse our citizens' patience. We must prevent the social sphere from lagging chronically behind the economic reforms. Moreover, this has to be done resolutely.

Regional policy remains a weak point in the work of federal executive authorities. That is why federation components are trying to resolve this issue independently, one of the ways being the elevation of their own status. It is simply naive to regard it purely as the ambitions of local leaders and political elites. It is Moscow itself that has a great desire to retain full control over the regions, but it is now time to understand that it is not possible to preserve the old order. Time demands a sensible division of functions and responsibilities. There is no alternative to this now and there will not be in the future.

Regional policy is not only a matter of interrelations with the subjects of the Federation. The federal authority cannot leave unsupervized and unattended the problems of the coming into being of a full-blooded system of local self-government. In this connection I wish to recall the instruction given to the government to draw up a federal program of state support for local self-government.

One of the features of the present time is that there has been a considerable increase in the emigration of citizens from nearby states into a number of Russia's regions. The reasons for this are well known, but it is also known that for the time being Russia is giving a poor reception to the newcomers. We are obliged to improve this work. Priority should be ensured for our compatriots returning from the CIS countries. These people are going home to take up permanent residence and are entitled to count on aid in getting settled, and of course there should not be any artificial barriers in matters of citizenship. The regions where the main flows of immigrants are heading also require support, and not only financial support. I regard it as necessary to take part in and considerably increase attention for the regional aspects of privatization and perhaps first of all in Russia's border regions.

Rules are needed which will regulate the procedure for the participation in privatization by citizens of the former union republics. It is intolerable that noncitizens of Russia should be buying up land, real estate, etc, without any restrictions, while the interests of Russians are being restricted in a massive way.

Arbitrariness is even more intolerable. All this is fertile soil for interethnic conflicts, for new flare-ups of social tension.

During a lengthy period the government was complaining of a lack of coordination in the legislation in force, and of a poor legislative foundation of the reforms. Indeed, many draft laws lay in the Supreme Soviet like a dead weight and were deliberately being hampered. Now the situation has changed and it is necessary to master more vigorously norm-creating work. By the start of the work of the Federal Assembly it is necessary to prepare a sizeable package of draft laws of priority importance [peroocherodnogo naznacheniya]. I am referring to draft laws concerning economic reform, new civil, administrative, criminal and criminal procedure codes, etc. Of course, a draft budget of Russia for 1994 must be prepared.

Work is being completed on the plan of the president's top-priority edicts. Please do not drag out their preparation, the more so as I am referring to documents which are needed for resolving issues of fundamental importance.

What alarms me is that some people are becoming increasingly convinced that the days of the government are numbered. People seem to be adopting a short-timers' attitude. I cannot agree with this. Whatever the composition of the Federal Assembly, we will fight for our government of reform. But the government's work and practical deeds will of course be the decisive argument here.

The election campaign is now getting under way. It is the right of every citizen to take part. But let us agree that irrespective of political views and predilections, in his activity every member of the government is obliged to be strictly guided by its program, the program of the government. Government discipline is obligatory here for everyone.

Esteemed participants in the meeting: At the most critical moments, while making the most important decisions, I have felt the support of the government, the firm support of Viktor Stepanovich Chernomyrdin. For my part I can confirm that the president has always been and remains on the side of the Russian Government of reform. The government is already about a year old, and all this time it has worked in the most difficult, not to say extreme situation. I am sure that none of us has any feeling of complacency or self-deception. On the contrary, it can be said that as yet, insufficient has been done. The lives of the majority of the people of Russia are still difficult and far from world standards of quality. We will constantly remember this, and as previously, act together. We will remember that the main burden of responsibility for Russia now lies on you and us.

Thank you.

Paper Publishes Speech

PM0211165393 Moscow ROSSIYSKAYA GAZETA in Russian 3 Nov 93 First Edition pp1-2

["Speech by B.N. Yeltsin at Russian Federation Council of Ministers Session" on 2 November: "Realizing New Opportunities"]

[Text] Esteemed members of the government!

Session participants!

For a month now Russia has been living in a fundamentally new political situation. The period of dyarchy in Russia is over.

All the country's basic life-support systems have been preserved and are functioning continuously. The extremely dangerous process of the destruction of Russian statehood has been halted. The spreads of its fatal consequences to the regions of the Russian Federation has been successfully stopped. Through joint efforts we have prevented the division of Russia itself.

People have seen for themselves the extent of the danger of the so-called "romance" of revolution and the logic of violence and blood.

The most important thing now is to assess and realize to the maximum extent the new opportunities which have emerged for the country. The October events have opened up new prospects for the implementation of economic transformations. A powerful boost has been given to constitutional reform and in-depth transformations of the Russian state system.

The potential of the present situation is not only positive. It is also capable of generating negative trends and creating new dangers for Russia. It is our duty to prevent them.

We are fully aware that we resorted to tough measures. We were driven into this step in order to save democracy.

It was necessary to stop the destructive activity of the Supreme Soviet and the Congress and to accelerate the reforming of representative bodies in the regions. Otherwise the political gangrene from the former representative branch would have spread to the whole of the state and the whole of society.

It was necessary to resort to a number of restrictions and direct bans in the conditions of the state of emergency in Moscow. I consider it extremely important that these tough measures met with understanding and support among the population of Russia at large.

Nevertheless control over the actions of the executive branch has weakened to a critical point. There is a de facto absence of constitutional control. It worries me that against this alarming backdrop a certain section of officials are showing an aspiration for a state of emergency situation [chrezvychayshchina].

I sometimes receive draft edicts and other documents which are seriously at variance with existing legislation and try to push the authorities toward tyranny. Let me say unequivocally that this kind of practice will never win the president's support.

I am astonished that the very principle of the separation of powers has started to be called into question recently. I regard this as a gross political error.

We have just come through a tragedy. And the deep-lying cause of it was precisely the fact that this principle had been extremely distorted by the contradictions of the existing constitution. Let us not forget this.

I am convinced that it is inadmissible to artificially drag out the current situation. All the institutions of a democratic state which are currently not functioning or have been weakened must be fully restored, albeit in a new capacity:

—at the federal level—in December 1993;

—at the regional level and the local government level—in the course of the first half of 1994.

I confirm that the referendum on the Constitution will be held on 12 December.

At the same time I do not accept the complaints that we currently do not have an opposition. The course of the election campaign shows the reverse: the spectrum of the participants' political attitudes is exceptionally broad. This has not happened since maybe the 1917 Constituent Assembly elections.

The October events revealed yet another danger—political terrorism. It must be admitted that we underestimated it and displayed excessive complacency.

In practice organizations banking on armed struggle were operating openly, and gunmen were being trained virtually legally. Appeals for violent actions against the state went unpunished.

There is a need for emergency political, legal, and organizational measures to curb political terrorism. Here we have an enormous debt to pay to the citizens of Russia.

A month has passed since the time of the revolt. But society has not received answers to a number of important questions relating to those events. They need to be answered, not brushed aside. We must all seek the answers together. I welcome the activeness of the mass media currently engaged in journalistic investigations. But the main role must be played by the law-enforcement agencies.

The investigation into the events of the August putsch and the State Committee for the State of Emergency case is a farce which must not be repeated. All the circumstances of the revolt must be throughly investigated. Everyone who stained himself with blood must be made to answer with all the severity of the law.

Esteemed session participants!

The key role in stabilizing the situation in the country belongs to the government, to Russia's executive authorities.

Today you often hear people expressing fears that, having lost the checks and balances personified by legislative bodies, the government will start acting in an abrupt and revolutionary manner.

But there is something else which causes me considerably greater concern. At this time we need finally to achieve the optimal pace and scale of transformations. It has to be said outright that everywhere the reforms are still limping along and lack the requisite dynamism.

Vacillation still goes on, and sometimes contradictory decisions are adopted. All this is having a negative impact on the situation in the economy and, most importantly, on the daily life of Russian people.

Let me say outright: The time when it was necessary to simply keep the reform policy in check have passed. The task is to precisely and consistently pursue a policy of deepening market reforms.

The market in Russia is in the formative stage. As yet market mechanisms are weak and imperfect. And today we are particularly lacking actions of a strategic nature to restore and expand production and create the foundations of a truly effective economy. The government program is not being fulfilled actively enough in this respect, although there is no disputing that promising groundwork has been done.

Positive developments in stabilizing the ruble rate of exchange have been obvious recently. It is important to consolidate and develop these shifts with a view to definitively stabilizing the rate of exchange and phasing in ruble convertibility.

One of the central issues is that of increasing the controllability of the economy by the state, but we are not talking about using the slogan of controllability to return to command methods of leadership, to direct interference in enterprises' activity. I am categorically opposed to such attempts. Especially since they are doomed to fail.

What we are talking about is state market regulation on the basis of maximum consideration of the interests of the commodity producer and the consumer. Organizing this is a strategic task of reform.

Among the major steps in this direction are the measures envisaged in the edict "On the Regulation of Land Relationships and the Development of Agrarian Reform in Russia."

This edict is only the start of a great deal of crucial work which we have to do in conjunction with the Federal Assembly and the components of the Federation.

The land question is among the most acute in any society. The government must develop within a short space of time a specific and precise mechanism for implementing the edict, proceeding from its ideology.

I am talking first and foremost about reliable land purchase and sale mechanisms and also about the protection of landowners' rights.

Every citizen of Russia should clearly see the possibility of acquiring plots of land to work on, the possibility of disposing of them, the possibility of inheriting them and obtaining the means of existence by offering land on a lease. All the necessary factors must be taken into account here. Including both regional and moral factors.

One of the major lessons of recent events is that we have sometimes been insufficiently attentive to social problems.

It was not only gangsters and political adventurists who took to the streets of Moscow on 3 October. Among the protesters there were also people who had lost hope, who were in despair, and a certain proportion of the blame for this rests with you and me.

Why did the government become reconciled, in effect, to a situation where millions of people had gone for months without receiving wages, pensions, or grants? Why were many workers in the budget-financed sectors—health care, culture, science, education—placed in a hopeless material position?

After all, it is a question of fulfilling the decisions we ourselves have adopted—presidential edicts and government decrees. These do not solve all the problems, but they are a reliable safeguard against social upheavals.

Let me stress, all these are questions of maintaining civil peace in Russia, and consequently questions of the state's security.

We are currently working together on preparing a package of edicts of a social nature:

—on a system of minimum social guarantees;

—on bringing in a poverty grant;

—on measures to ensure that the social protection of the population is properly targeted;

—on the minimum necessary for subsistence;

—on minimum wages;

—on minimum pensions;

—on charity, and others.

It is necessary to speed up the drafting of a package of measures to protect citizens' economic rights, first and foremost the right of private ownership. I have in mind, among other things, the protection of the rights of shareholders in check investment funds and the creation of guarantee funds to protect private savings.

A real breakthrough is needed in that bottleneck of the reforms, housing construction.

People forgive us much, knowing the difficult conditions in which the reforms are taking place, but let us not abuse our citizens' patience. The social sphere chronically lags behind economic reforms, and this must be stopped. In the most resolute way.

Regional policy is still a weak point in the activity of the federal executive. It is therefore not surprising that the Federation components are trying to tackle this matter by themselves. By means of increasing their own status, among other things.

It is simply naive to see this as being due solely to the ambitions of local leaders and political elites. In Moscow there is a tremendous desire to maintain full power over the regions, but it is time we finally realized: The old order cannot be preserved. The times demand a sensible demarcation of functions and responsibility. There is no alternative to this, and never will be again.

Regional policy is not only a matter of relations with the Federation components. The federal power cannot allow problems of the formation of a fully effective system of local self-government to go unmonitored and unnoticed.

In this connection I wish to remind you of the instruction to the government to draw up a federal program of state support for local self-government.

One feature of the present times is the significant increase in the migration of citizens from neighboring foreign states to a number of regions of Russia. The reasons for this are well known, but it is also well known that Russia has thus far been giving the newcomers a poor reception.

It is our duty to improve this work. Priority must be given to our compatriots returning from CIS countries. These people are coming home, to their permanent domicile, and are entitled to expect help to settle down. And of course, there must be no artificial hitches on questions of citizenship.

The regions experiencing the main influx of migrants also need support. And not only material support. I consider it necessary, in particular, considerably to step up the attention given to regional aspects of privatization. First and foremost, perhaps, in Russia's border regions.

Rules are needed to regulate the procedure for participation in privatization by citizens of the former Union republics.

It is not permissible for those who are not citizens of Russia to buy up land, real estate, and so forth with no restrictions. When meanwhile there have been mass restrictions on the Russians' interests, but an arbitrary approach is even less permissible. All this is fertile soil for interethnic conflicts and new outbreaks of social tension.

For a long time the government has been complaining about discrepancies in existing legislation and about the weak legislative base of reforms. And indeed, many draft laws ground to a halt in the Supreme Soviet and were deliberately delayed.

Now the situation has changed, and it is necessary to set about the work of formulating regulations more energetically.

A substantial package of draft laws of priority significance must be prepared in time for when the Federal Assembly starts work.

I am talking about drafts relating to economic reform, new codes—civil, administrative, criminal, criminal procedural, and so forth. Of course, Russia's draft budget for 1994 must be prepared.

Work is nearing completion on a plan for priority presidential edicts. I ask that you not delay the preparation of these edicts. Especially since it is a question of documents which are needed in order to tackle matters of fundamental importance.

I am alarmed to find that some people are now becoming increasingly convinced that the government's days are numbered and that the mood is one of "packing your bags," so to speak.

I cannot agree with this. Whatever the composition of the Federal Assembly, we will fight for our reform government. But the decisive argument here will be the government's work, its practical deeds.

The election campaign is now getting under way. It is every citizen's right to take part, but let us agree that, irrespective of political views or preferences, every member of the government must, in his activity, be guided strictly by the government's program. Government discipline is binding on everyone.

Esteemed session participants!

At the most critical moments, when making the most important decisions, I have been aware of the government's support and the firm support of Viktor Stepanovich Chernomyrdin. For my part, I can reaffirm: The president has always been and remains on the side of the Russian government of reforms.

The government is now nearly a year old, and all that time it has worked in a very difficult, not to say emergency, situation.

I am confident that none of us has any sense of self-satisfaction or illusions. Taking the broad view, not enough has yet been done. The life of the majority of Russians is still difficult, and far from reaching world standards.

Let us constantly remember this, and continue to act together!

Let us remember—the main burden of responsibility for Russia now rests with you and me!

Thank you.

Council of Ministers Adopts Resolution on Reforms

LD0211141393 Moscow ITAR-TASS World Service in Russian 1157 GMT 2 Nov 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 2 Nov—An expanded sitting of the Russian Council of Ministers held in the Kremlin today adopted a resolution on the sociopolitical situation in the Russian Federation and on measures to implement the first stage of the government program for 1993-1995 entitled "Furthering Reforms and Stabilizing the Russian Economy." The document reaffirms the invariability of the reform course in line with this program, which was adopted on 6 August 1993.

"With the aim of creating necessary conditions for accelerating economic reform, alleviating tensions in the social sphere, fulfilling the tasks set for this year and starting work in 1994 in an organized manner," those attending the sitting decided to approve in principle a draft plan of actions to implement the first stage of the government program for 1993-1995. They issued instructions for the draft to be finalized within the next two weeks, incorporating amendments and proposals made at today's sitting.

The resolution contains an instruction to relevant ministries and departments to prepare within two weeks proposals on necessary changes in the tax system of the the Russian Federation for 1994 aimed at bringing the level of inflation down, creating incentives for investments, and providing for full collection of taxes and other payments as required. An instruction was also issued to strengthen control over targeted use of centralized credit resources and credit return on schedule.

The Economics Ministry, the Finance Ministry, and the State Committee for the Management of State Property of the Russian Federation were instructed to prepare and submit to the government a list of enterprises which will be managed directly by the government during 1994-1995.

The Economics Ministry and the Finance Ministry, in cooperation with the Russian Academy of Sciences, were instructed to submit to the government by 15 December proposals on improving the system of central bodies of the federal executive power, bearing in mind reductions in the governing apparatus and transfer of some functions to bodies of the executive power of the federation's component parts.

The resolution contains a number of instructions relating to preparation of a federal program of improving employment in 1994, on ensuring that the "housing" state program is implemented, on eliminating the existing obstacles in interregional movement of goods, services, and capital.

Chernomyrdin Holds News Conference 2 Nov

LD0211145993 Moscow Mayak Radio Network in Russian 1320 GMT 2 Nov 93

[Excerpts] [Announcer] After the conclusion of the expanded sitting of the Russian Council of Ministers, a news conference was given in the Kremlin by Prime Minister Viktor Chernomyrdin. Here with the details is our correspondent Valeriy Kiosa.

[Kiosa] [passage omitted] Chernomyrdin stressed that the main result of today's government sitting is the support for the Russian Cabinet of Ministers' plan of action and for its intention to ensure, above all, financial stability in the economy. The government will continue paying special attention to regional policy. The main idea here is to gradually transfer powers to the regions and at the same time to support those territories in Russia that so far cannot do without subsidies from the center.

Answering a question about a sitting of the Security Council, which followed immediately after the government sitting, Chernomyrdin revealed that it had adopted a military doctrine, which says the Army will tackle external and internal tasks.

The prime minister was asked a lot of questions on the election campaign and on the prospects for the present members of the Russian Government. May I remind you that this morning, President Yeltsin said a battle has to be fought for this government. Chernomyrdin said at the news conference that he was not giving much thought at this stage to the future composition of the Council of Ministers after the elections. His main task as prime minister was to ensure the normal work of the government. As to what will happen after the elections, Chernomyrdin put it like this: Life will show, the president will decide. At the same time the prime minister spoke out against major personnel changes. We need professionals who know their business well, he said.

Chernomyrdin once again reiterated that he would not at this stage join any parties or blocs. If even the prime minister gets involved in this, it will be altogether impossible to make out what is going on in Russia, he said. The prime minister continued: My own position remains unchanged. I cannot accept any extreme views, they are dangerous for Russia. There is no point in trying to make me assume some other stand, Chernomyrdin stressed, concluding the news conference. [passage omitted]

To Support 'Centrism' in Elections

LD0211150893 Moscow ITAR-TASS World Service in Russian 1356 GMT 2 Nov 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 2 November—"By far the most important" matter that the Russian Government is tackling and will be tackling is regional policy, Russian Council of Ministers Chairman Viktor Chernomyrdin stated at a press conference summing up the results of the extended council of ministers meeting held in the Kremlin today.

He stressed that it still remains for "relations between the federal and regional executive authorities to be worked out," bearing in mind the transfer of increasing powers to the regions.

Replying to a question as to whether the prime minister will be taking part in the Federal Assembly elections, Viktor Chernomyrdin said that he will not be participating in the elections "at present, in any parties or blocs." He explained that this is because today the tasks of organizing the government's work and the economy of the whole country rest with the prime minister. He said at the same time that he would not be opposed to certain members of the government working in the new parliament: "The parliament would be no worse off for this."

Speaking about his electoral preferences, the head of the cabinet said: "Today, I support centrism for I believe that both the far right and far left are equally dangerous for Russia."

On the issue of his forthcoming official visit to Denmark on 4-6 November, Viktor Chernomyrdin said that it is connected primarily with the 500th anniversary of the establishment of Russian-Danish relations being marked this year. During the visit by the head of the Russian cabinet to Austria on 6-9 November, it will be primarily matters of bilateral economic cooperation that are examined.

Advocates Open Dialogue With Media

LD0211180693 Moscow Mayak Radio Network in Russian 1430 GMT 2 Nov 93

[Text] Speaking at the extended sitting of the government, Viktor Chernomyrdin touched upon the issue of the government's attitude to the mass media. He advocated an open, equal, and critical dialogue with journalists, which would activate the process of reforms. The government should remember, Viktor Chernomyrdin said, that the time of ordering about and dressing down had long gone. The fourth power demands respect.

Outlines Progress of Economic Reform

LD0211201893 Moscow Russian Television Network in Russian 1616 GMT 2 Nov 93

[Text] At a meeting of the government, Prime Minister Viktor Chernomyrdin made a report on the progress of the reform and stabilization of the Russian economy. He spoke about implementation of the first stage of the government program for 1993-5.

[Begin Chernomyrdin recording] The government is responsible for consistently implementing the policy of reform worked out in accordance with the president's guidelines and it should not deviate from this policy in order to fulfill irresponsible promises which certain politicians are so generous in giving during these pre-election weeks. Both the president and the government are united with regard to their principal aims and goals. Russia has a clear picture of its future development.

I would like to formulate the government's task for the near future in the following way: Both before and after the elections, in cooperation with the would-be Federal Assembly not only to push forward the economic reform and democracy, but also by its daily work to help the president create state institutions anew on the basis of a new constitution—in this formula I see the main content, the essence of the government's role in bringing about the country's rebirth today.

An analysis of the current economic situation in the country confirms the conclusion drawn by us previously, that the economy is in a state of unstable balance. The gross domestic product in the three quarters of this year was 11 percent lower than in the same period last year, industrial production was 16 percent lower, and capital investment was 7 percent. Negative tendencies in the financial sphere persisted. We failed to stop inflation which, after its record-beating 30 percent leap in August, went down to 21 percent in September, while the expected October rate is slightly under 20 percent. [end recording]

The government plans to bring the inflation rate down to 5 percent a month by the end of 1994. Speaking further, Viktor Chernomyrdin dwelt on the problems of agriculture, pointing out that despite insufficient financing it is possible to prevent the main indices from falling below last year's level.

Speaking on the future of privatization, the chairman of the government stressed that a market system in the economy has almost fully developed in Russia but it still requires state control within reasonable limits.

[Begin Chernomyrdin recording] Speaking about financial policy, I would like to mention an issue which has become an object of unscrupulous speculations. I mean the recent credits to agriculture. The fact that they were allocated to the State Committee for Bread Supplies [Roskhleboprodukt] and the processing industry does not signify any changes in the government's financial policy. Judge for yourselves: more than 1 trillion rubles have been given to pay the state's debts for the output already delivered by the peasants and to complete the necessary purchases of grain and butter in the countryside at prices which are far from preferential. The radical reduction in centralized imports and the elimination of import subsidies will also serve to make the budget healthier. At present we only subsidize imported children's foodstuffs and medicines from the budget. This year, grain purchases were reduced by more than 50 percent, meat purchases were cut by more than four times. Centralized imports of animal oil, potatoes, spirits, wines, alcohol-free beverages, and wool have in fact been stopped altogether. I hope that from next year we shall put this inefficient and very costly economic method completely behind us.

All of this is being done not merely to set the budget to rights, but first and foremost to protect our domestic producers. [end recording]

The prime minister familiarized those present with the foundations of the budget policy of the Central Bank and the government. He described the measures for the social protection of the population and dwelt in detail on other, most important economic issues.

Later in his report Viktor Chernomyrdin said he is worried that many of his government colleagues have become distracted with creating their own electoral alliances. We are moving toward a multiparty system within the executive structures which, in the prime minister's view, will seriously impede a smooth government operation. Russia's interests demand that the entire reform team pulls together.

Chernomyrdin Addresses Government Session

PM0311111193 Moscow IZVESTIYA in Russian 3 Nov 93 First Edition pp 1, 2

[Vasiliy Kononenko report: "President B. Yeltsin Criticizes Government and Promises New Social Guarantees"]

[Excerpts] After the protracted lull at the Kremlin due to President B. Yeltsin's move to a new building and his work at his out-of-town dacha, the full leadership of Russia finally reconvened there 2 November. The occasion was an expanded session of the government with the participation of representatives of executive power structures in the regions to discuss Russia's socioeconomic situation and plans for the development of the economy in the coming year.

Opening the session, the president analyzed the situation prevailing in the country since the suppression of the uprising. [passage omitted]

Prime Minister V. Chernomyrdin, who spoke next, stated that the most important point of his government's activity is that the reforms must be continued in conjunction with the Federal Assembly.

Dwelling next on the state of the economy, he noted that the situation in the fields this year indeed leaves something to be desired. The government is to blame for not ensuring the financing of the agro-industrial complex and, of course, the weather was a hindrance, as usual, but we have now reached last year's level in terms of grain, the premier said. He did not cite detailed figures characterizing the state of the Russian economy, but, as it emerged from the documents presented to the session's participants, the country's economic position this year has remained complex. GDP for the first nine months was 11 percent lower than for the corresponding period last year, industrial production has fallen by 17 percent, and the level of inflation has been high, reaching almost 30 percent in some months. State spending has risen, sometimes approaching the critical level where inflation could get out of control as a result of the extended use of tax concessions to various enterprises and regions and a lax taxation system. At the same time, the foundations have been laid in fall 1993 for financial and monetary-credit stabilization. Despite pressure, the option of allowing enterprises to mutually offset their debts by boosting the money supply was rejected and technical credits and supplies of cash to CIS countries have been halted. Preferential credits were abolished 1 October, thus creating the preconditions for easing the burden of inflation on the budget.

There has been progress in other areas too. For example, the consumer market, which was almost totally destroyed by the end of 1991, has been restored and is functioning actively. The gross grain harvest will be around 100 million tonnes. The decline in milk production has been halted and poultry numbers have increased by 8 percent. The trade deficit has been virtually wiped out.

Despite all the problems faced by the state budget, the financial situation of many enterprises cannot be called disastrous.

After analyzing the economic situation, V. Chernomyrdin noted that people's lives remain difficult. What is to be done? He named the ensuring of financial stability among the priority measures. In this regard the Finance Ministry has already prepared an appropriate program coordinated with the regions. The budget deficit must not exceed 4,660 billion rubles in the fourth quarter. According to the premier, a package of measures is being implemented to protect the ruble exchange rate and tighten credit policy. Around 80 percent of credits will be channeled through a special interdepartmental commission. The issue of credits to the agrarian sector, he said, certainly does not mean a change in the government's financial policy because we are talking here about payments for output already supplied.

We must curb inflation, he went on, and said specifically that it must be reduced to 15-17 percent by the end of the current year, 10 percent by the first quarter of next year, and 5 percent by the end of 1994. There will be no enforced decollectivization during the agrarian reform. The most difficult stage in the reforms is already behind us. The time of shock therapy is also past. It is necessary to strengthen economic federalism and implement the reform of the executive structures of power at local and federal level, including the power departments. Political rivalry must be left outside the government. These are the premier's main program guidelines. Nor did he forget the mass media, but noted that "the time when journalists were primed with information are over. The fourth estate demands respect, and we, the government, want dialogue with journalists."

The expanded session of the government lasted around four hours. It was addressed by many representatives of the regions and heard some objective criticism but there was no self-castigation. Nor were there any signs of confusion or confrontation.

Addresses Privatization Conference

LD0311095393 Moscow Mayak Radio Network in Russian 0800 GMT 3 Nov 93

["From the Government of Russia" program, presented by correspondent Tatyana Chemodanova—live]

[Text] A conference began today in the Government of Russia—a conference of the Council of Ministers, a conference to discuss the draft government program of privatization of state and municipal enterprises of the Russian Federation, with the participation of the regional leaders responsible for privatization.

The conference was opened by Prime Minister Viktor Stepanovich Chernomyrdin. He emphasized that the initiative came from the provinces, which explains the large number of heads of administration at such a conference. The issue being considered today, he said, was a continuation of yesterday's work in the government. He made an assessment of privatization, stressing that privatization has now become irreversible: 8,000 out of the 14,000 enterprises privatized in a year have been put on the state register. The main thing now, Viktor Stepanovich pointed out, is to raise the effectiveness of privatization. A good job is being done by Buryatia and Kursk, Tula and Nizhniy Novgorod Oblasts, but things are very bad in Yakutia, North Ossetia, and Daghestan, the prime minister stressed in particular, saying that there have been serious violations of the legislation on privatization. There have been signals from the procuracy about this.

The conference was then addressed by Deputy Prime Minister Yegor Timurovich Gaydar. He thinks that it is not worth introducing ad hoc radical correctives into the process of privatization, since this might stop the process itself. He is considering extending the procedure in its present form until July 1993, but it is essential to introduce correctives, but from 1 July 1994 it will be necessary to enter a new stage. The main problem in this stage is basic investment funds. This means that our program must be directed toward creating the potential for investors and a gradual transition from mass procedures to individual procedures.

The speaker currently at the rostrum is Anatoliy Borisovich Chubays, chairman of Goskomimushchestvo [State Property Committee]. He said that 63 percent of all privatized enterprises have already been formed into joint stock companies. He dwelled in detail on shortcomings in privatization and remarked that the main thing now is that great independence has been given to the regions and therefore in each region it is necessary to have a special approach to the privatization of each enterprise.

Moscow 7 Nov Rally Organizers Protest Ban

LD0211192693 Moscow INTERFAX in English 1452 GMT 2 Nov 93

[Text] The Moscow government's refusal to sanction rallies and demonstrations designed to celebrate the 76th anniversary of the Bolshevik Revolution on November 7 sparked acute dissatisfaction among the parties and movements which had notified the mayoralty of their intention to hold mass actions on that Sunday.

"This denial shows just how 'democratic' our 'democracy' is," said Vasiliy Shishkarev, the leader of the Union of Moscow Workers.

Boris Khorev, the secretary of the Moscow committee of the Russian Communist Workers' Party, qualified the Moscow government's decision as "a sign of weakness, inability to govern and gross police tyranny."

Oleg Melnikov, a leading member of the Marxist Platform movement, described the decision as a "totally ungrounded refusal prompted by purely formal reasons."

According to Vladimir Pirogov, a member of the Moscow branch of the Russian Party of Communists, the refusal to sanction rallies and demonstrations on November 7 signifies "an end to all democracy and a total lack of rights for the working people." "The authorities fear that we'll openly voice our attitude to December's elections and to the situation in the country," Pirogov said.

The Union of Communists, the Marxist Platform, the Union of Moscow Workers, the Moscow branch of the Russian Party of Communists, the Working Russia movement and the Moscow committee of the Russian Communist Workers' Party intended to gather over 100,000 supporters in the Kaluga (former October) Square on Sunday, and, with the exception of Working Russia, march to Red Square to stage rallies there. Working Russia intended to march to the Lubyanka Square and stage a rally there.

The refusal to allow mass actions on Sunday is based on the presidential decree signed on July 29, 1992 under which mass actions in Red Square must be sanctioned by Russia's president and coordinated with the commander of the Kremlin.

Russia's Christian Democratic Movement (RCDM) had intended to commemorate the victims of civil war and political repression in the Lubyanka Square and subsequently to walk to the place where the Savior's Cathedral is to be rebuilt to hold a public service there. However, the Moscow government referred in its resolution to the presidential decree of April 28, 1993, which bans mass demonstrations in the Old and New Squares through on which the RCDM supporters were to walk.

"Our action was designed to convince the public that November 7th should cease to be a day of confrontation and turn into the day of commemorating all those who were killed in the years of communist terror - a day of repentance and national solidarity," the movement's leader, Viktor Aksyuchis, told INTERFAX. "The civil war in our country will not end till this happens," he said.

Communists Say They Will Not Rally

LD0211203193 Moscow INTERFAX in English 1736 GMT 2 Nov 93

[Text] The Workers' Russia movement, Russian Workers' Communist Party, Russian Communist Party and Moscow Workers' Union have announced they stopped preparing rallies and marches to be held in Moscow on November 7 after the city government demanded they refrain from such actions. They warned that the government will bear all responsibility for the consequences of the people's uncontrolled actions.

The statement was made at a meeting with the movements intending to hold mass rallies in Moscow on November 7 marking the 76th anniversary of the October revolution. The meeting was attended by representatives of the city's law department, interior department, prosecutor's office and the Kremlin commandant's office.

The Communists' Union, Marxist Platform and Russian Christian Democratic movement were among others who signed the statement. They were also denied the right to rally that day.

The representative of the Russian Christian Democratic Movement lodged a protest against the actions of the Moscow government.

Constitution Should Omit Federation Treaty

PM0311103993 Moscow ROSSIYSKIYE VESTI in Russian 2 Nov 93 p 2

[Interview with Viktor Sheynis of Working Commission to Finalize Russian Draft Constitution by Lyubov Tsukanova; place and date not given: "Viktor Sheynis: We Are Seeking Compromise. Member of Working Commission To Finalize Draft Russian Federation Constitution Answers ROSSIYSKIYE VESTI Correspondent's Questions"]

[Text] [Tsukanova] Viktor Leonidovich, the draft constitution has already been through a lot of coordination sessions. How would you describe the current stage of work? What is the working commission's task?

[Sheynis] It is an exceptionally important stage, because the constitution that will be put to the referendum will not have passed through legislative organs, as would usually be the case, but will be directly submitted by the president to the people. Different views of this procedure can be expressed, but that is the fact on the basis of which we have to proceed. The version that is currently being worked on will end up on the president's desk. Naturally, the president cannot go into all the details of constitutional legislation so, consequently, what ends up on his desk will to a considerable extent be the text to be put to the referendum. I would like to reiterate that the question of how to adopt the constitution is a separate issue which I would currently put to one side, but if we have an interest in getting a better constitution and a quality document, then it is exceptionally important that the elaborated draft reach the president's desk.

Legal specialists, politicians, representatives of both the center and the regions, and, finally politicians representing the main political forces—with the exception of those who launched the uprising at the end of October—are working on the text.

[Tsukanova] The view has been expressed that, as a result of being coordinated with the Constitutional Commission, the draft has picked up a lot of accretions and needs to be "purged of its socialism."

[Sheynis] I disagree with that view. I think that what has been forthcoming from the Constitutional Commission has strengthened the draft rather than weakening it. For instance, there is Article 7 on the social state, which certain ultraliberals interpret as being virtually socialist. I do not think so, I think that the principle of a state's responsibility for the fate of its citizens is a generally accepted principle in the civilized world. I think there are weighty grounds for including this, but needless to say, the state must not be a patron; it must not be a welfare system providing equal living standards or, say, equal pay for all. That does not feature in the constitution. We will have a market; consequently, enterprises which are more successful will also pay higher wages. There will be a labor market, skilled and efficient workers will be able to switch to enterprises where they can earn more, but there is a large category of citizens who cannot help themselves—these are elderly single people, the handicapped, and large families, and there is another whole series of categories of people for whom we must ensure a decent standard of living.

[Tsukanova] What issues were the hardest to agree on?

[Sheynis] The hardest issue was the relationship between the Federation and its components. It is causing the largest number of arguments and we are seeking compromise, but it seems to me that there is an incipient leaning in favor of a more realistic approach to this problem. I could briefly express this more realistic approach as follows. First. Russia is not a treaty-based [dogovornyy] state; it did not emerge because some republics agreed to set up a Federation. The Federation is a system which responds to a diversity of conditions and the existence of different cultural, national, and technical groups and certain historical traditions, but the main thing is the constitution, not a treaty.

Second. Sovereignty is indivisible, you cannot have sovereign republics within a sovereign Russia. That would be a nonsense both legally and politically. I advocate the broadest rights for the republics and for other formations in solving their local problems, but the constitution rightly stresses the unity of state power.

Finally, third—and this is very important—there is the principle of equal rights for Federation components. We should not, as in Orwell's famous satire, have people who are more equal than others. There must be equality among all Federation components in their relations with the federal authorities, and there should be equal opportunities to resolve their own internal affairs. The fact that, owing to certain historical conditions, the republics have their own constitutions and legislation while the krays and oblasts also have their own statutes [statuty], charters [ustavy], and legislation is another matter. This difference does exist, it is recognized and has been enshrined in the draft currently being finalized.

[Tsukanova] What about the Federation Treaty or, rather, treaties—all three of them?

[Sheynis] The overwhelming majority of conference participants advocated that the treaties not be included in the fundamental law, but that their content be reflected in corresponding articles of the constitution. What will ultimately happen, I do not know, a political decision will have to be made by the president, and the people will have the final say as regards approving or rejecting it. I do not think we are interested in solving this problem via some stunt. We are interested in persuading the republics. I am profoundly convinced—and I have said this before—that we made a mistake when we included the treaties in the text of the constitution. It was a kind of race whereby the Supreme Soviet on the one hand and the president on the other, in their desire to win the support of the elite groups heading Federation components, made concessions and deliberately played to see who could lose the game fastest. I hope that this will now all be brought to an end.

Yeltsin Decree Orders End to Vagrancy, Begging

LD0311091893 Moscow ITAR-TASS in English 0818 GMT 3 Nov 93

[By ITAR-TASS correspondent]

[Text] Moscow November 3 TASS—Russian President Boris Yeltsin signed a decree ordering to put an end to vagrancy and begging which had flourished in the country of late.

His press service said on Wednesday that tramps and beggars would either be employed or paid pensions or allowances.

Centres of social rehabilitation will be ceated for them.

IZVESTIYA Editorial on 'Official Section'

PM0211163193 Moscow IZVESTIYA in Russian 29 Oct 93 First Edition p 5

[Reader's enquiry with editorial reply under "Questions for the Newspaper on Telephone Number (095) 299-80-16" rubric: "Semiofficial Organ and IZVESTIYA"]

[Text] "Why does your newspaper not have an 'Official Section' rubric under which the main edicts of the president, laws, and decrees are published?" (G. Grebenshchikova).

[reply] It is difficult for us to do this now without detracting from all the other materials. But this is what we can recommend to those who for whatever reason want to read what is emerging from within the state apparatus.

The Russian presidential administration's Yuridicheskaya Literatura [Juridical Literature] publishing house reminds us that subscription to the following periodical publications for the first half of 1994 continues:

SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII [Collected Enactments of the Russian Federation President and Government] (index 73360); BYULLETEN MEZHDUNARODNYKH DOGOVOROV [Bulletin of International Treaties] (index 39002); BYULLETEN NORMATIVNYKH AKTOV MINISTERSTV I VEDOMSTV ROSSIYSKOY FEDERATSII [Bulletin of Standard Enactments of Russian Federation Ministries and Departments] (index 70055); BYULLETEN VERKHOVNOGO SUDA ROSSIYSKOY FEDERATSII [Bulletin of the Russian Federation Supreme Court] (index 73028); and the journal SOVETSKAYA YUSTITSIYA [Soviet Justice] (index 73367).

Subscription to these publications can be made through the IZVESTIYA publishing house catalog.

In addition, many official documents, as you know, are published by ROSSIYSKAYA GAZETA and the IZVESTIYA supplement—the legal journal ZAKON [The Law].

Ostankino Official Arrested for Taking Bribes

LD0311121493 Moscow ITAR-TASS in English 1113 GMT 3 Nov 93

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow November 3 TASS—One of the top officials of the Russian state-run "Ostankino" TV and Radio Company was arrested on Monday [1 November] while accepting a bribe of five thousand American dollars.

According to a well informed source, Yuriy Kornilov, director-general of the "Ostankino" state fund for TV programmes, was detained by officers of the special interior unit fighting organized crime.

The source said Kornilov accepted five thousand dollars for fulfilling obligations, which he was anyways supposed to fulfill in accordance with a contract signed between "Ostankino" and a foreign company.

A search in Kornilov's apartment resulted in the discovery of hundreds of coins made of precious metals and weapons.

The current investigation of Kornilov's activities is also checking information that Kornilov was bribed repeatedly in the past.

Military & Space Issues

Grachev Holds News Conference in Moscow 3 Nov

Says Officers Not To Run in Elections

LD0311120593 Moscow ITAR-TASS World Service in Russian 1120 GMT 3 Nov 93

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow, 3 Nov—Analysis of the events in Moscow on 3-4 October has demonstrated the correct trend of Russian military doctrine in terms of defining new tasks for certain subunits of the Armed Forces of the Russian Federation in assisting the internal troops of the Ministry of Internal Affairs and militia in localising possible armed conflicts on the territory of Russia, Russian Defense Minister Army General Pavel Grachev stated at a news conference today.

He noted that at present the use of these subunits could be sanctioned by the Russian president, whereas following the December elections the new supreme bodies of legislative power will be able to do so.

Pavel Grachev also noted that he is opposed to officers and generals running in the forthcoming elections. "Every specialist should do what he is trained to do," the defense minister said, stressing that this is merely a recommendation and that every serviceman has the right to act as he sees fit.

Denies Resignation Rumors

LD0311130193 Moscow INTERFAX in English 1120 GMT 3 Nov 93

[Text] Russian Defense Minister Pavel Grachev has denied reports on his possible resignation in the near future.

"I shall not resign on November 7, as it was expected," he told a news conference in Moscow Wednesday [3 November].

Earlier media speculation on his possible resignation was denied by Russian President Yeltsin, who spoke highly about the minister's competence and personal qualities.

Answering a question put by Interfax, the defence minister made it clear that neither President Yeltsin nor Premier Chernomyrdin had complaints about the defence ministry.

Grachev said that he still believes that the Russian military withdrawal should be in line with the improvement of the Russian-speakers' social position. "Why did Lithuania solve the problem and Latvia and Estonia did not?", he remarked. If the problem with the Russian-speakers is resolved, the troops withdrawal will pose no problems, he said. Not a single soldier will stay in those countries in six months time, said Grachev.

Says Forces Authorized Nuclear First Strike

AU0311120793 Paris AFP in English 1126 GMT 3 Nov 93

[Text] Moscow, Nov 3 (AFP)—Russia's armed forces are authorised to strike first with nuclear weapons in case of an external nuclear threat, Defence Minister Pavel Grachev said Wednesday.

Grachev was giving details at a press conference of the military doctrine adopted Tuesday by the Russian Security Council.

He said that nuclear weapons could be used "first, in case of an attack by a (non-nuclear state) that is in alliance with a nuclear power against the Russian Federation, its territory, its armed forces and the troops of its allies."

In the second case, Russia could strike first "in case of a joint action by states possessing nuclear weapons to attack or sustain an offensive" aginst Russia or its allies," Grachev said.

Comments on Troops Abroad

LD0311115993 Moscow ITAR-TASS in English 1137 GMT 3 Nov 93

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow November 3 TASS—The new Russian military doctrine allows to keep the armed forces outside the national territory, according to Defence Minister Pavel Grachev.

"The interests of Russia and other CIS members can call for the necessity to deploy forces and means of Russia outside its territory", he told a press conference on Wednesday [3 November].

Another new provision allows to use the army for assisting the interior troops, according to the minister.

Valeriy Manilov, deputy secretary of the Russian Security Council which approved the doctrine on Tuesday, told TASS that "the major political aim for which the armed forces can be used is to protect the constitutional system, sovereingty and territorial integrity of the country, as well as other vital interests of society, the state, Russian citizens if the threat to them is linked with the use of armed violence".

Grachev also said that the doctrine does not treat any state as an adversary and that Russia will not use force against any country except for the aims of individual and collective self-defence.

Nuclear weapons are not viewed as a means of warfare, but as a political deterrence against an aggression, according to the minister.

As far as armed conflicts and local wars are concerned, the doctrine lists a quick localisation of the hotbed of tension and an early end to hostilities as the major objectives, Grachev said, adding that the implementation of the tasks should create preconditions for a peaceful settlement.

The minister reiterated that the creation of mobile armed forces which can be quickly airlifted to the necessary regions is a priority of the Russian military reform. He stressed that such forces are already being created on the basis of airborne troops.

Comments on Baltic Troop Withdrawal

LD0311130393 Moscow ITAR-TASS in English 1215 GMT 3 Nov 93

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow November 3 TASS—The issue of withdrawing Russian troops from the Baltics will be solved quickly if there are guarantees that human rights are observed in the region, Russian Defence Minister pavel Grachev told a press conference on Wednesday [3 November] referring to the rights of the Russian-speaking population.

He also said that the issue of social welfare benefits for the withdraw troops and of the compensation for the Army and Navy property left in the Baltics will be also raised.

Security Council Approves New Military Doctrine

LD0211152993 Moscow ITAR-TASS World Service in Russian 1350 GMT 2 Nov 93

[By unidentified ITAR-TASS correspondent]

[Text] Moscow, 2 Nov—Today, a session of the Russian Security Council took place under the chairmanship of President Boris Yeltsin, at which the main provisions of the military doctrine of the Russian Federation were approved.

According to a report from the Russian president's press service, this document is a component part of the overall security concept for Russia that has been drawn up.

Formulated in it are the aims and the main content of the policy to ensure military danger [as received], that threats to the military at home and abroad are defined, and the tasks of the state to combat these threats are set forth. The core of the document is formed by the tenets of the doctrine determining the political, military, military-technical, and economic fundamentals of military building, development, the application and provision of the Armed Forces and other troops of the Russian Federation. They have a clearly expressed defensive tendency and are orientated toward the firm and active protection of the vitally important interests and security of Russia, toward averting war and armed conflicts, and toward eliminating them from the life of mankind.

A decree has been signed by the Russian president on ratification of the main provisions of the military doctrine of the Russian Federation, instructions have been given regarding their implementation and organizing the drawing up of an overall concept for the security of the Russian Federation.

Allows Use of Army To Defend Constitution

LD0211161293 Moscow ITAR-TASS in English 1510 GMT 2 Nov 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow November 2 TASS—"The major political aim for which the Armed Forces and other forces of the Russian Federation can be used, is to protect the constitutional system, sovereignty and territorial integrity of the country, as well as other vital interests of society, the state, Russian citizens if the threat to them is linked with the use of armed violence," Valeriy Manilov, deputy secretary of the Russian Security Council which approved the basic provisions of the new military doctrine on Tuesday [2 November], told TASS.

He stressed that the "use of the Armed Forces which are a component of the civic society, is carried out according to the rules fixed by the Constitution, the national Russian legislation."

Manilov added that the doctrine does not allow the use of the Armed Forces "in the interests of certain individuals, political groups, public associations."

The document approved by the Security Council consists of three main chapters which deal with political, military and military-technical basics of the military doctrine.

The most important political provision says that "none of the states or their coalitions are viewed by Russia as a potential enemy," Manilov said, adding that all sates whose policy is not detrimental to Russian interests are viewed as partners.

Nuclear weapons are viewed by the doctrine as a deterrence averting an aggression against Russia and its allies. "The final aim of its policy in this sphere Russia sees in attributing a universal character to the nuclear non-proliferation regime, in a gradual reduction of nuclear arsenals, and in future—in their full elimination on a mutual basis," Manilov stressed.

The essence and the meaning of the basics of the doctrine boil down to "averting wars and military conflicts, their elimination from the life of peoples and states," he said.

Yeltsin Views Doctrine

LD0211190093 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 2 Nov 93

[From the "Novosti" newscast]

[Text] Today, in the Kremlin, the Security Council, under the chairmanship of Boris Yeltsin, ratified the main provisions of the military doctrine. This document will be a component part of the general concept of the security of the Russian Federation. Our correspondent Mikhail Aleksandridi talked to the Russian president.

[Begin recording] [Aleksandridi] Discussed at today's Russian Security Council session was the question of our country's military doctrine. What are its main principles?

[Yeltsin] There has been prolonged work on this doctrine, its draft, both by experts and leaders. A very big role has been played by the Ministry of Defense, and personally by the minister of defense, Pavel Sergeyevich Grachev, who has a very fine understanding of these questions. Therefore I am slightly surprised that in the mass news media he is being criticized, something I consider to be completely unjustified.

The doctrine is military doctrine, and as part of the doctrine of the general security of Russia it has a defensive nature. It does not have potential enemies, but at the same time Russia will develop its armed forces in such a way as to protect itself and its people. [end recording]

Manilov Outlines Doctrine

LD0211205893 Moscow INTERFAX in English 1935 GMT 2 Nov 93

[Text] Russia's military doctrine approved by President Yeltsin today consists of three main sections: the doctrine's political principles, military principles and technical and economic principles. This statement was made by the deputy secretary of the Russian Security Council and head of the council's commission for the doctrine's finalization, Valeriy Manilov, in an interview with Interfax today. He said the document was laid down on incomplete 24 pages. [sentence as received]

As Manilov pointed out, the doctrine provides a definition of the vital interests of Russia's security in a radically new manner. They are determined according to the principle of not affecting the interests of other states in the world and regional security systems. Russia's relations with other states are to be built on the basis of equal rights and mutual benefit.

Manilov said the first, political section stated that Russia had no potential enemy. The political principles stipulate that the doctrine's supreme goal is the prevention of wars and armed conflicts and the preservation of the country's sovereignty, integrity, independence and natural resources. Russia is supposed to cooperate in this fields with the CIS states in the first place and Central and East European countries.

The same section stipulates that Russia observed the principles of peaceful settlement of territorial disputes and non-violability of state borders. Russia treats no state as its enemy. The country will never use force except when it or its allies are attacked.

The chapter also classifies external sources of military threat. The document points out: "Though the threat of world war has not been eliminated yet, it has considerably reduced by now. The main current source of danger is local wars and regional conflicts. This danger is constantly growing."

According to the second, military section, Russia's goal is to prevent the escalation of conventional armed conflicts into a nuclear war or use of weapons of mass destruction.

The Russian nuclear complex is considered only as a deterrent means against attempts to unleash war against Russia or its allies.

Manilov said that for the first time the pace and scale of construction of Russia's armed forces and other troops was aligned with the actual situation in the world and capabilities of the Russian Federation. Now the military and industrial complex ceases to be the society's heaviest burden.

Regarding the internal security threats, the document states that the armed forces and other forces of the Russian Federation may be involved according to the military doctrine only in the following cases: - intensification of hostilities by nationalist and separatist groups which represents a threat to Russia and its integrity; - attempts to undermine the constitutional system by force; - attacks on nuclear power or chemical installations; - creation of illegal armed groups.

Further Manilov Comment

LD0311125693 Moscow INTERFAX in English 1120 GMT 3 Nov 93

[Text] Russia's military doctrine confirmed by Security Council on Tuesday [2 November] is the first document of this kind which expresses positions of the state as a whole and not that of separate power departments, Deputy Chairman of the Russian Security Council Valeriy Manilov said in an exclusive interview with Interfax. That is why, he continued, the doctrine establishes the state's means of reaction to any threat to Russia's independence and integrity or to its citizens.

According to Manilov, regional conflicts and local wars, the number of which has increased by 30 times over the last 5 years and currently accounts for about 70 "hot spots", present the major source of threat to stability in the world. The doctrine stipulates that one of the main purposes of Russian armed forces is to localize hearths of tension and create the premises for peaceful settlement of any armed confrontation.

The doctrine especially emphasizes that, in accordance with the Russian Constitution, the armed forces and other Russian forces (interior, frontier and security forces) cannot be used in the interests of separate groups and individuals, parties and public associations.

The document states that the Russian government is responsible for the state of the Russian armed forces and that the defense minister is directly responsible for the command of the forces. This provision of Russia's military doctrine, Manilov underlined, fixes the democratic principle of armed forces command on the part of supreme bodies of civil authorities. As he said, this model meets the course aimed at the creation of a democratic society in our country.

At the request of Interfax special correspondents V. Terekhov and B. Grishchenko, Manilov made comments on the doctrine's section devoted to military-technical and economic problems. The top- ranking representative of Russian Security Council drew attention to the task which is specially emphasized in this document, namely the need to rationally use the country's industrial-defense potential. The doctrine stresses that this potential should not be a burden to society.

The document depicts the model of Russia's industrial-defense complex's activity under the system of market relations. According to the authors of this doctrine, the competitive basis of arms design and development should rule out damaging duplication in the process of creation and production of various kinds of armaments. This should result in rational spending of funds.

At the same time, Manilov underlined, priority should be given to high quality technical equipping of the Russian army. The Russian army should be armed with the most advanced and modern military equipment, says the doctrine. The doctrine mentions as an obligatory provision that the Russian army's weaponry should correspond to world standards. In particular, for the first time Russia's military doctrine provides for development of systems and means to ensure individual security of every soldier.

Continuing Military Nuclear Cover-Ups Alleged

PM0211125993 Moscow ROSSIYSKIYE VESTI in Russian 29 Oct 93 p ii

[Article by Captain First Rank (Retired) Ilya Kolton: "Operation 'Radiation'—Who Is Helping To Keep Us All in Radioactive Darkness?"; from the 'Retsept' section]

[Text] It is not the first time this theme has appeared in "Retsept." The publication on the pages of our section (in abridged form) of the famous "White Paper," in which material on the tragic "interaction" between arms and military hardware and nature, and in particular on the waste products from military activity, their burial at sea, and so on, appeared so openly for the first time, had tremendous repercussions both at home and abroad. Likewise, we have reported on the efforts of the Ecological Council led by Presidential Adviser A. Yablokov geared toward exploiting the defense sector's might for the benefit of nature.

Today Captain First Rank (Retired) Ilya Kolton, candidate of technical sciences, presents his own interesting article on a theme of incalculable importance to us all—the tragic contradiction between military might, nature, and the health of the individual, military and civilian alike. An experienced military expert is sounding the alarm. His warning signal should be heeded.

[Kolton begins] The long, drawn-out arms race marathon ended in failure for us. Moreover, the failure resides not so much in what we lost out in practical terms on every combat component of the arms and military hardware we accumulated, destroying the country's economy in doing so through the disproportionate investment of budget resources, as in the fact that all this (particularly vehicles [nositeli] carrying nuclear power sources and nuclear, chemical, and other types of weapon) posed enormous dangers both to military personnel, nature, and the civilian population's environment. This happened, I believe, because during the Soviet period the military sphere and defense industries always remained a closed sphere, and that includes for the state. Everything was farmed out to the monopolist and unwieldy military-industrial complex—a kind of self-devouring structure, combining within it all the basic functions: commissioner, manufacturer, and inspector of ships, arms, and military hardware, and this military-industrial complex, under the cover of and in cahoots with the CPSU Central Committee which reared it, determined the fate of our country, supplying the Army and Navy with arms and military hardware which were not just non-battle-worthy but also a danger to its own personnel and the population of the country.

Without the state to watch over them, the army and industrial generals, in their aspiration to fire over ever greater distances, to submerge ever deeper under water, and so on (according to the principle of: "We have the strength, we don't need reason"), were not only unable to guarantee optimum basic combat qualities in the arms being newly created, but they also consigned to oblivion all questions of reliability, operational safety, and the destruction, recycling, and burial of spent waste products harmful to the human habitat. These questions were always resolved according to the residual principle whereby, although references to reliability frequently creep into draft documentation and expert evaluations of reliability and safety are conducted back at the design stage, little of this is actually carried through. A striking and recent example of this is the signing of the START II Treaty which, without a preliminary ecological study of the stages of destroying, recycling, and burying missile warheads and rocket fuel, could result for our country in its transmutation into a contaminated wasteland.

I spent 36 years in the Armed Forces, for 29 of which I was "closely involved with the reactor" on nuclear submarines in virtually every engineering capacity—from commander of a power plant remote control group [gruppa distantsionnogo upravleniya energetikoy] to representative (tester) for the Standing Commission for State Quality Control of Naval Ships. Therefore I want to explain how this is done in the Navy, and the fatal point at which we have arrived as a result.

Here is an extract from a report by the Main Military Prosecutor's Office to USSR Defense Minister S.L. Sokolov dated 17 September 1986: "...In recent times, the Ministry of the Shipbuilding Industry [Minsudprom] has supplied, and the Navy has taken receipt of, 27 ships and submarines, of which 22 are undergoing additional modifications... In 1980, the Kirov heavy guided missile cruiser constructed at the Baltic Plant named for S. Ordzhonikidze was received from the production unit in a technically defective, incomplete condition, and without having undergone a number of tests. Some systems and items have not been put right to this day, and it is standing idle pending repairs by the shipyard. Nevertheless, when the acceptance document was signed the enterprise was paid...99.9 percent of the cruiser's cost... On Minsudprom's initiative, 3,000 people were awarded state honors, including 13 officials from the quality control commission. Three received the title of 'Hero of Socialist Labor'... The certificates spoke of 'the thorough verification by them of the proper working order of all the ship's systems and its capacity for efficient operation, with a high degree of weapons delivery reliability.' ...Acceptance documents are signed under pressure from the manufacturers, even when expert conclusions on a ship's deficiencies are present... The offenses committed amount to a crime on the part of specific officials. Criminal proceedings were instigated 15 September 1986 under Articles 170 and 260 of the RSFSR Criminal Code."

A 6 October 1986 disaster poured oil onto the flames: A K-219 sank, taking with it 15 ballistic missiles and nuclear torpedoes. It was decided to "prepare a question for the Politburo." That "historic" session took place 25 December 1986 under the chairmanship of M.S. Gorbachev. And the next day, 26 December, the Prosecutor's Office received instructions to discontinue criminal proceedings in respect of more than 10 top officials.

Wouldn't you think that after this "historic" event at least something might have changed for the better? In 1988, eight submarines, 16 surface ships, and three auxiliary ships with serious flaws, defects, and contraventions of the law were added to the Navy's effective combat strength, and grim reality inevitably settles its accounts: explosions of live missiles, disasters involving aircraft, nuclear submarines, and surface ships, and fires at arms and ammunitions depots became an everyday occurrence in the country's Armed Forces.

In recent times alone there has been a whole number of major accidents and disasters involving the Navy (and these are only the ones it has not been possible to conceal). The explosion of solid-propellant missiles on a heavy underwater cruiser; the fire on board the Frunze nuclear cruiser; the devastation by fire and flooding of compartments of the Admiral Zakharov ASW; a fire at an ammunitions depot in Vladivostok; the explosion of a high-pressure air compressor on a nuclear submarine... The real reasons for all these accidents and disasters have not been explained, nor have the guilty parties been punished.

Obviously, the failure to assemble reliable information about accidents and disasters involving arms and military hardware, and the absence of an in-depth scientific approach to analyzing their causes and drawing up preventive measures, suit the military-industrial complex and the Defense Ministry, reluctant to wash their dirty linen in public.

The complexity of the problem consists in the fact that even after August 1991 the military and industrial generals at fault here remained in key positions of power or even advanced within the service. As a result, our society and its leading state figures have once again been confronted with the "iron" information curtain which for many years concealed, and continues to conceal, the truth about what goes on in the Army and Navy. The Russian Federation Government Committee for the Affairs of Servicemen and Members of Their Families, set up in June 1992 on the initiative of soldiers' mothers, was abolished come September 1992. Was this not because it had the authority to elaborate proposals to establish the reasons for the deaths of and injury to servicemen and military construction workers, and to monitor compliance with legislative acts, state programs, and government decrees and directives on the basis of systemic analysis of reasons for the deaths of and injury to servicemen in accidents and disasters involving arms and military hardware? So it is that a powerful lever of influence over the Army on the part of society (the soldiers' mothers) and the state was removed. And so it is that I believe the generals did away with the first ever state (supradepartmental) organ of control over the safety of military service, which could have been a mechanism for implementing a package of military laws, including the Law "On Safety," in the sphere of safeguarding a basic constitutional right—a serviceman's right to life and health in peacetime.

The Federal Inspectorate for Nuclear and Radiation Safety [Gosatomnadzor], set up under the Russian Federation president in the wake of the Chernobyl disaster, is stymied at present: It is denied access to military facilities. But you know, prior to Chernobyl we had three of our own "Chernobyls" on board nuclear submarines which very few people know about. And if they had known, the "grand" Chernobyl might never have happened. I will try to demonstrate this in the tragic fate of our own nuclear submarine fleet, with which I had occasion to cross those first underwater miles on the first nuclear submarine back in era of the USSR, and to complete the underwater epic on the latest third generation nuclear submarines. The basic problem, the main calamity which has existed from the early days of using submarines and which exists right up to the present day, is the poor reliability and high danger levels of nuclear power installations and shipboard electric-power systems. This relates primarily to high-volume discharges from steam generators and the primary circuit of a reactor installation, the formation of cracks in structures housing the heat-generating elements of a reactor's core, and the inadequate reliability of the reactor control and protection system.

As a rule, this has led to major radiation accidents and disasters, killing and injuring personnel, to the dumping of large quantities of radioactive water into the sea, and to ruinous material damage.

I myself had to take part in a fight for survival on several occasions when containing and eradicating the effects of radiation accidents:

—in October 1959 on the first nuclear submarine, when carrying out the first nuclear voyage, and in August 1962 soon after returning from a voyage to the North Pole;

—In September 1975 on a strategic nuclear underwater cruiser.

The tragedy of the Komsomolets submarine once again demonstrated the total bankruptcy of fire-fighting systems and complete inefficiency of emergency life-saving installations. In the 35 years of the nuclear submarine fleet's existence, three generations of submarines have succeeded one another and several dozen series of nuclear submarine have been built, but little has changed in questions of safety of service on board submarines. During my period of service with the Naval Quality Control Commission, I raised this question time and again, demanding that checks (evaluations) of the reliability of a ship being constructed be carried out at the stage of official testing.

However, I was alone in my demands because the Navy's Main Shipbuilding Administration, in contravention of its purpose, did not protect the interests of the fleet and its people. My idea to include "reliability" within the program of official testing under a separate item did not get through. The driving force behind the refusal was that, allegedly, the short space of time given over to conducting official tests meant that an evaluation of reliability could not be accurate or objective. Nevertheless, when taking receipt of the first [golovnoy] submarine strategic cruiser (Typhoon), implementing my right as leader of the electromechanical section of the government commission, I succeeded in proving that this evaluation was not only possible, but very necessary.

At that time this evaluation was carried out in the turbine section with reference to all three components of reliability (service life, maintainability, resilience) and it turned out that the ship built did not meet the stated demands for reliability. The first Typhoon was added to the Navy's effective combat strength even though it could not fire torpedoes, and so on.

A full 30 months have passed since the reopening of criminal proceedings in respect of the Komsomolets (and over four and a half years since it went down), but no end to the investigation is in sight. The case regarding the Komsomolets, if it is conducted according to the law from start to finish, will be unprecedented. It is for this reason that it is, I believe, very important to accord this case the highest status, including via the involvement of independent observers and experts. Rejections of our repeated appeals to the Russian Federation Prosecutor's Office for an increase in the number of observers on this case look strange to say least if the Prosecutor's Office seriously intends to establish the truth on this occasion.

A great deal of the trouble, I believe, is that the Law "On Safety," which was adopted over 18 months ago, is not working in terms of ensuring safety during military service. There is no mechanism for its implementation. The rise of unaccountability and impunity is more than eloquently confirmed by the fact that no top officials have been rendered criminally accountable for the massive deaths of personnel and the billions in damage inflicted on the environment during accidents and disasters involving arms and military hardware since 1960. This attitude toward the supply of ships and vessels carrying missiles, nuclear weapons, and nuclear power sources appears criminal, as the failure to adopt urgent and strict measures threatens disaster, which includes ecological disaster, as well as the deaths of people.

The history of my unsuccessful battle with the existing situation warrants a separate discussion. The attention with which Presidential adviser A. Yablokov reacted to my appeal recently is encouraging. His response to my appeal contains two important elements: He considers it necessary to discuss military problems in the Security Council (and to submit my findings to it). Other problems—ecology and life, the health of military and civilian personnel—should be subjected to in-depth research by a special scientific-practical conference, to which, if it takes place, I have been asked to report. I agree to any report, in front of any audience, if only it will halt or prevent the death of the environment and of mankind.

Stop Press: According to official data, up to 30 percent of the damage to the environment is brought about by the results of military activity. Around 42 million tonnes of jet fuel (25 percent) is used for military purposes, but its combustion is one of the main causes of pollution of the atmosphere.

The transportation of military loads, especially along pipelines, represents an enormous danger to the environment and to mankind in particular. Around half of military pipelines and storage facilities constructed at the beginning of the 1950's are worn in the extreme, and highly dangerous to the natural world.

A Directorate of Ecology has been set up in the Russian Defense Ministry. There are chairs of ecology in military academies. And 141 environmental protection inspectors are currently serving in the Russian Armed Forces.

Armed Forces Prestige Low Among Servicemen, Public

PM0211145193 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 15

[Report by Aleksey Levinson of the All-Russia Center for the Study of Public Opinion on Social and Economic Questions: "If a Soldier Does Not Dream of Becoming a General"]

[Text] Even before the events at the White House, according to data from the All-Russia Center for the Study of Public Opinion on Social and Economic Questions, over half of Russians considered the Armed Forces' role in Russian life "great" or "very great." Subsequent days confirmed the correctness of this assessment, and they also showed how mixed this role can turn out to be. A poll of over 1,600 Russian city-dwellers has shown that the prestige of the military profession is very low.

Which occupation do you consider to be the best?
economist—20 percent
businessman—18 percent
lawyer—17 percent
teacher—7 percent
scientist—6 percent
engineer—6 percent
officer—5 percent
translator-5 percent
don't know—16 percent

Among young people, those who by law will have to perform service and who could voluntarily find themselves in the ranks of the Armed Forces, an officers' career attracts fewer than two people out of every hundred. In their parents' and grandparents' generation there are slightly more people who admire such a career—6 percent—but among the cadre servicemen and law enforcement personnel who were involved in the poll, in other words people who know the situation in the Army at first hand, 48 percent would deprecate a young person's wish to become a cadre serviceman today.

In other words, the Army which was inherited from Soviet times does not want to (and cannot) reproduce.

This is the end of the world's largest Army with its largest number of generals. Soldiers, as we can see, do not want to become generals.

Can we talk about the demilitarization of society? Hardly, if the number of "armed formations" is growing in parallel with the reduction of the Army. A completely private individual can now be an armed man, or more precisely a man with a Kalashnikov [s "kalashom"]. This is the crisis of an army formed on the basis of universal military obligation. According to data from the All-Russia Center for the Study of Public Opinion on Social and Economic Questions, in the summer of 1993 over half of Moscow's young people were prepared not to condemn people who dodged military service.

But the preconditions for creating a professional army are also lacking. Around 45 percent of young people in cities are convinced that the best officers are now leaving the Russian Armed Forces, while the worst ones remain. It is highly important that this opinion was even more widespread among the polled cadre servicemen themselves—66 percent, far more than in any other socioprofessional group.

Indicating the enormous difficulties which are being met on the path to the organizational development of a professional army, the figures from the poll by the All-Russian Center for the Study of Public Opinion on Social and Economic Questions also enable you to see nevertheless which spheres of this development could have the best prospects.

For example, a comparison of the prestige of several cadre service alternatives shows that service in the Air Force is the most attractive for the youngest citizens of Russian cities. At the same time, the more educated stratum of young people places cadre service in the Navy second, and in the internal affairs organs third. A career as an officer or warrant officer in the ground forces is in fourth place. This largest group of officers wins the absolute minimum in terms of prestige from practically all socioprofessional and age groups.

Furlough Incentive for Recruiting Navy Contract Personnel

PM0211173593 Moscow KRASNAYA ZVEZDA in Russian 2 Nov 93 p 2

[Vladimir Gundarov report: "If You Are Serving, Recruit a Comrade"]

[Text] By and large, staffing levels for the positions of petty officers and sailors in the Navy stand at less than 75 percent today. The fall draft will not be able to change the situation. It is expected that only one draftee will arrive to replace 10 sailors who have been discharged.

In order not to leave the ships without any crews, the Northern Fleet command has issued the following instructions: Officers and midshipmen who recruit at least one draft-eligible individual on contract service will be given an extra five days' leave. This was reported by Captain First Rank Anatoliy Ushanov, chief of the department for the recruitment of petty officers and sailors on the Northern Fleet Staff's Organizational-Mobilization Directorate.

Paper Launches New Feature on Military Issues

PM0311102993 Moscow KOMSOMOLSKAYA PRAVDA in Russian 2 Nov 93 p 2

[Igor Chernyak "Military Review": "What About Winter Apartments? Will It Prove Possible To Find a Spot in Russia Where Army Will Remain Outside Politics"]

[Text] Recent events show that the role of power structures—and particularly the Army—in Russia's life has considerably increased. There are already plenty of examples of military men influencing the political situation. For the sake of brevity we will confine ourselves to one of them—the events of 3-4 October, when armed forces effectively settled the outcome of the conflict between the authorities. Presumably, the Army and its leadership will not recede into the shadows in the near future, at any rate they will try not to become unthinking tools, a toy in the hands of the politicians.

In view of all this KOMSOMOLSKAYA PRAVDA is today inaugurating a new rubric—"Military Review." In it we will, where possible, try to cover questions pertaining in one way or another to the military department, its internal life, and everyday problems.

Generals Against Politicians

Numerous statements by the country's leaders indicate that Russia's military doctrine should have been adopted as long ago as 15 October. In particular, Pavel Grachev said at a press conference at the Russian Defense Ministry 6 October: "The president has given all members of the Security Council three days—until the day after tomorrow—to voice their view of the draft doctrine and put their suggestions to Oleg Ivanovich Lobov. The suggestions will be examined in conjunction with my commission; on Boris Nikolayevich's return from Japan we are to meet on Friday, I will report on the suggestions that have been made, there will be a ballot, and after that the doctrine will be adopted."

October came to an end and still nothing has been heard about the adoption of a Russian military doctrine. Competent sources in the General Staff attribute the delay to the serious disagreements that have arisen between the government and presidential structures on the one hand and the top brass on the other. According to them, at a closed conference in the Russian Defense Ministry Premier Viktor Chernomyrdin put fairly heavy pressure on the military with a view to formalizing in the doctrine the Army's so-called internal or, to put it more simply, police functions. According to the sources, the government viewpoint is that the Armed Forces can be used both to strengthen state security and, where necessary, to extinguish internal conflicts. However, the generals, to use the expression of one General Staff staffer, "rose up like the Brest Fortress," unwilling to take part in events like those in Moscow 3-4 October and referring to the presence in the country of a large number of MVD [Ministry of Internal Affairs] and internal troop special subunits.

The second cause of the disagreements was the inclusion in the doctrine of a section on social protection for servicemen, for which a number of Russian Defense Ministry leaders are pressing but which has met with an extremely cool reaction from the government. According to sources in the General Staff, the military were told that a number of laws are geared to protecting them even in the absence of a doctrine. However, that argument does not convince the generals: These laws are generally nonoperational. There are no signs of people wanting to assume additional responsibilities to the Army, particularly in a situation where there is no money and, most importantly, no parliament, and no one to blame for these responsibilities not being carried out if anything crops up.

There are a number of other complaints regarding the draft military doctrine. Will the country's leadership succeed in reaching mutual understanding with the generals? The immediate future should tell.

Special-Purpose Troops Receive Moscow Residence Permit [Subhead]

Despite all Pavel Grachev's statements claiming that during the events of 3-4 October the Army proved its worth in an extremely worthy manner and that there can therefore be no complaints about it, charges have nonetheless been leveled at the military department. The Army is reproached for indecisiveness, sluggishness, and other faults. Probably this is largely why the Russian Defense Ministry has finally been forced to start carefully analyzing the mistakes and miscalculations made during the events of 3-4 October and also clarifying the lessons to be derived from them.

The recent directive from the Defense Ministry leadership dividing Moscow into four sectors of responsibility can be considered one of the first decisions adopted following the events of October. Sources at the Moscow Military District staff report that each group of troop units stationed in and around the Russian capital will be allotted its own strictly defined sector. Experts think that this move on the part of the military department is designed to try to avoid as far as possible in the future the problems that arose in the Army at this time.

A high-ranking district staff officer also said that, despite Russian Defense Ministry leadership claims that all units and subunits were withdrawn from Moscow once the state of emergency period came to an end, one special-purpose unit (of between battalion and regiment strength, according to preliminary information) has been posted at a communications center in the Sokolniki area, and the communications troop unit stationed there previously will either be redeployed or disbanded. It is thought that the special-purpose troops replacing it will be on heightened combat alert and, where necessary, will be able to leave for a seat of tension and extinguish it within 15-20 minutes of receiving the order. It is worthy of note that the special-purpose troops have been allocated a whole apartment block out of turn, although there are around 10,000 military men in Moscow waiting in line for housing. According to an officer, in the future it is planned to house the Russian Army mobile forces staff at this military camp. What is more, the 27th Independent Motorized Rifle Brigade stationed in the Teplyy Stan area will also be placed under the wing of the Airborne Troops command.

40 Billion for the Communists From the Anticommunists?

According to informed sources at the Russian Defense Ministry, a number of military department specialists still have serious doubts as to the advisability of using a contingent of collective peacekeeping forces in Tajikistan. These doubts are linked above all with the political aims of using the troops, especially since Russia still has no law on the use of peacekeeping or other forces. The recent statement by Colonel General Boris Pyankov, commander of the collective forces, did not go unnoticed at the Russian Defense Ministry either—in it he said that these forces were set up to "stabilize the situation in Tajikistan and keep the peace." Military experts have a host of questions in this connection. The main one being: Is it right to use foreign troops on a sovereign country's territory—even if there is a special agreement to this effect—on the basis of a "request from the government" of the state in question? In the past the Afghan Government made such a "request" to Moscow, something that the world community subsequently regarded as flagrant falsification since the then government was deemed illegal by many states. As you know, the opposition still does not recognize the incumbent government of Tajikistan, deeming it to be "communist." The collective forces' support for this government means that authority in Tajikistan will be maintained by foreign troops' bayonets. What is more, according to our sources, Russia has assumed 50 percent of the collective budget to fund the 201st Motorized Rifle Division and other units. Given the highly acute shortage of money for defense and galloping inflation, this translates into 35-40 billion rubles a year (at the 1 September price index). In the opinion of many officers, spending that kind of money on "stabilizing the situation" in a foreign country is somewhat disadvantageous. Especially since there are no guarantees that the present ruling forces will be victorious in the next election in Tajikistan. If they are defeated, all the money that Russia has spent will go down the drain. And that is not even the most terrible thing. Who will answer for the death of dozens of Russian soldiers who have perished in a foreign country for an unknown purpose?

Furor at Defense Ministry

Defense Minister Pavel Grachev's statement at the election session of the People's Patriotic Party [PPP] Executive Committee caused something verging on a furor at the Russian Defense Ministry. After all, for 18 months the minister has repeatedly been saying that the Army should be outside politics and his subordinates conveyed his words—"Anyone who wants to engage in political activity should remove their shoulderboards"—to the military grassroots. The fact that Grachev was forced 4 October to act contrary to what he said was viewed if not with approval, then with understanding. However, many people in the military department viewed his involvement in the PPP Executive Committee session as support for a specific political organization and a change in his former stance of noninterference.

Shortly after the Russian Defense Ministry became aware of the ideas in Grachev's speech, the puzzlement increased. It turned out that the minister said that he shares the PPP line and regrets that it does not propagandize its ideas enough and expressed satisfaction that "serious guys have gathered in the room." This statement gave rise to a number of questions. After all the PPP election statement also contains a demand that everyone who has reduced the country to the current state of crisis be immediately relieved of their posts or voluntarily resign. The fact that the defense minister shares these views seems strange, to say the least. Officers and generals began to vehemently discuss whether this means that henceforth they can join parties, for example, those of Zhirinovskiy, Zyuganov, or Aksyuchits?

However, informed sources at the General Staff think that no far-reaching conclusions should be drawn from what the defense minister said. In attending the PPP Executive Committee session he simply intended in human terms to express his gratitude to the Union of Afghan Veterans, members of which offered Grachev considerable moral and other support 3-4 October. However the defense minister's advisers evidently did not calculate all the consequences of this gesture to the Union of Afghan Veterans, a component part of the PPP. The upshot was that, according to sources close to B. Yeltsin, Pavel Grachev had to justify his actions to high-ranking officials from the president's entourage. After which the minister said that he has no intention of running for the new federal parliament and if the military start joining various political blocs and parties, that will only have an adverse effect on the Army's combat capability. That is considered the Russian Defense Ministry leadership's official position today.

Georgia: Losses Increase

According to Russian Defense Ministry sources, increasing strain is arising in relations between the military department and the Russian Foreign Ministry. As you know, any idea of Andrey Kozyrev's regarding use of the Army outside Russia, be it in Bosnia or Tajikistan, evokes an extremely pathological reaction from the military. One recent cause of disagreement has been the Foreign Ministry leadership's insistence on Russian troops being used in Georgia. Russian Defense Ministry personnel say that many officers and generals in this department have a wary view of the destiny that diplomats have in store for the military and are afraid that their official task—guarding roads [as published] on Georgian territory with the help of Russian soldiers—threatens to embroil Russia's Army in another country's civil war. It must particularly be noted that the Defense Ministry is also extremely reluctant to help out Eduard Shevardnadze, who, many people think, had a hand in breaking up the Army as USSR foreign minister.

Nevertheless the first consignment of Russian tanks, admittedly so far without crews despite all the Georgians' requests, has arrived in Georgia. Shipments of other, state-of-the-art hardware have also begun. At the same time reports are also coming in of growing lose of Russian troops in Georgia. According to some figures, more than 70 Russian enlisted men and officers have already been killed. It is worthy of note that in most cases it is virtually impossible to find out whether the Zviadists or the government troops were to blame for the losses.

As for the tale of Russian troops not interfering in events in Georgia, a high-ranking officer from the Group of Russian Forces in the Transcaucasus staff attests that one Russian Army unit stationed in Batumi recently carried out an enforced redeployment through a zone controlled by the Zviadists, according to some data, to the next airfield. As a result of this maneuver the Russian military got the Zviadists to kind of disappear from the area. This was subsequently regarded by the Russians as a misunderstanding. According to our sources, the Russian Army played a far from minor role, to put it mildly, in the Georgian troops fighting for Poti.

'Cosmos-2266' Satellite Launched From Plesetsk

LD0211165693 Moscow ITAR-TASS World Service in Russian 1319 GMT 2 Nov 93

[By ITAR-TASS freelance correspondent Semen Ivanov]

[Text] Moscow, 2 Nov.—Today, at 1510 Moscow time, the Russian Military Space Forces (VKS) launched the satellite (KA) "Cosmos-2266" on a "Cosmos" rocket from the launching pad of the 132d site of the Plesetsk cosmodrome. An ITAR-TASS correspondent was told at the VKS press center that the launching had been successful. The satellite was been placed in orbit close to that planned. The launching was carried out for the Russian Ministry of Defense. The satellite is being controlled from the Main Control Center for satellite control and testing, which is within the framework of the Military Space Forces.

Parameters Reported

LD0311072993 Moscow ITAR-TASS World Service in Russian 0659 GMT 3 Nov 93

[Text] Moscow, 3 Nov—Another artificial earth satellite, Cosmos-2266, was launched from the Plesetsk cosmodrome on 2 November 1993. The satellite carries scientific apparatus for continuing space research.

The satellite has been placed in an orbit with the following parameters: initial period of revolution, 108 mins; apogee, 1031 km; perigee, 967 km; orbital inclination, 82.9 degrees.

Besides scientific apparatus, the satellite carries a radio system for the precise measurement of orbital elements and a radiotelemetry system for transmitting to Earth data about the work of the instruments and scientific apparatus.

The apparatus aboard the satellite is working normally.

The coordinating and computing center is processing the incoming information.

Election Issues

Yeltsin's Move to New Office Augurs Called-Off Elections

MK0311101593 Moscow NEZAVISIMAYA GAZETA in Russian 3 Nov 93 p 1

[Kris Khokli report: "Civil Servants Know Everything"]

[Text] Yesterday the government newspaper ROSSIYSKIYE VESTI reported that President Yeltsin has begun to work in a new office in the Kremlin. The paper said that the Senate building where the president's office used to be will be refurbished. This will last for three to four years. ROSSIYSKIYE VESTI writes further: "During this time Boris Yeltsin will work in an adjacent building next to the Spasskaya Tower." Therefore we already know the name of Russia's new president who is to be elected on 12 June, as incumbent president Boris Yeltsin has announced. It appears that in Russia the law is still valid whereby Russian civil servants know much more than their bosses. Those people who provided information to the government paper about Yeltsin's three years in the Kremlin know that the new parliament will decide not to hold early presidential elections and will therefore legitimize Boris Nikolayevich's work in a place next to the Spasskaya Tower.

Kostikov Opposes Early Presidential Election

MK0311120093 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 45, 7 Nov 93 (Signed to press 2 Nov 93) p A8

[Vladimir Orlov report on interview with Vyacheslav Kostikov, Russian presidential press secretary; place and date not given: "There May Be No Presidential Elections. Russian Presidential Press Secretary Vyacheslav Kostikov Told MOSKOVSKIYE NOVOSTI's correspondent: 'The Idea of Early Presidential Elections Needs To Be Understood With All the Nuances It Involves'"]

[Text] When presidents want to test the ground for major decisions they usually task their press secretary to provide an "information leak." If the "trial balloon" proves successful, the president makes his decision. If not, the press secretary's words remain merely his personal opinion.

Presidential Elections

This is the usual practice in many countries. But Boris Yeltsin's press secretary plays an even greater role in political matters. Officially he is also the president's aide, which entitles him to constant direct communication with Yeltsin. Unofficially he is also one of his closest political advisers. In this capacity he is advocating the cancellation of the presidential elections set for 12 June 1994. And being a press secretary, he specifies: "The president is ready to face elections. But we must also remember something else. The president has a mandate from the people of Russia until 1996. No one has ever taken this mandate from him. This is therefore a major political reserve that Boris Yeltsin does not intend to give up."

Kostikov made it clear that a decision on early elections will be made depending on the economic situation in Russia in the winter-spring 1994 period. During this period "the government will begin to pursue an economic austerity program. Some subsidies in the social sphere will have to be abandoned. Bankruptcies will be occurring at a faster pace. But so far we do not know how Russia's population will behave with a less populist policy than before. The Supreme Soviet has collapsed and the generally recognized scapegoat has disappeared. In these conditions," Kostikov went on, "I think that we will need such a stabilizing factor as President Yeltsin."

Kostikov is not alone in advocating such an approach. First Vice Premier Yegor Gaydar, Russia's Choice leader, is actively insisting on the cancellation of early presidential elections. It seems that he has finally persuaded Yeltsin as to the inexpediency of the 12 June elections. But how will the president announce his change of mind? The first option: The Federal Assembly will do it for Yeltsin if it proves obedient enough. The second option is discussed by Kostikov: "I do not rule out that voices will make themselves heard from Russia's hinterland demanding that the president keep his mandate until 1996. In this event the president will be listening not to certain blocs or factions in parliament but to Russia."

The Prime Minister

The question about a future parliament is also a question about a future prime minister. In world practice a new government is formed by an election bloc that has scored a victory. If there is no obvious winner, the government will apparently be coalition-based. Under the new Constitution (it will come into effect immediately upon approval at the 12 December referendum), the head of the cabinet will be nominated by the president himself. The State Duma is to give its consent.

Under this logic, a Russia's Choice victory would mean the advent of Yegor Gaydar to the post of premier. Chernomyrdin's position has clearly been complicated, which is seen from, among other things, Kostikov's recent "censuring" statement for the press. The press secretary, however, told MOSKOVSKIYE NOVOSTI's correspondent something quite different: "Viktor Chernomyrdin commands my profound respect. This is a man with whom the president has developed a good tandem. The president would be interested in Chernomyrdin's retaining the high post of prime minister in the interests of Russia's stability. Moreover, I can see no reasons why after the 12 December elections the prime minister should be replaced."

The Constitution

Kostikov agreed to give an assessment of the final text of the new Fundamental Law "only in my personal capacity, as a writer and publicist." He believes that the constitution "is too bulky—it could be halved. It bears the traces of a difficult birth and it seems to me that it will be an interim document. It would be better if instead of the Constitution a provisional constitutional act of the transition period were adopted. But what is done is done. The constitution is ready. It would be ill advised to impede this process now."

With the adoption of the constitution the dispute between the republics on one hand and the oblasts and krays on the other will be resolved. The rights of all the Federation components have been equalized. No one is getting the status of a "sovereign state within Russia." The debate about the state structure, however, is not complete yet."

Vyacheslav Kostikov thought it necessary to warn: "In the last two to three years the leaders of the republics as part of Russia have accustomed themselves to a large measure of sovereignty. They have developed a taste for political rituals and apparently it will be difficult for them to get rid of that. But they will have to."

Does this mean that Russia is returning to the "guberniya [prerevolutionary term for oblast] principle" of organization? "I am for the guberniyas," Kostikov says. "Russia should return to the historical experience that has been proven over two centuries. With all the skepticism that I have for Vladimir Zhirinovskiy's slogans, he is one of the few who is promoting the idea of a guberniya structure for Russia. He is expressing the idea which many keep in their heads but do not articulate owing to considerations of expediency."

The president is well acquainted with the idea of dividing Russia into guberniyas. But so far he treats this with a fair degree of caution, taking into account the possibility of a strong reaction on the part of a number of regional leaders. According to Kostikov, Yeltsin believes that "in the near future an overactive promotion of this idea may pose elements of instability."

The Kremlin

Vyacheslav Kostikov has confirmed the existence of several "think tanks" under the president. In his opinion, "this is good and bad at the same time. Of course, some people have strong ambitions. Everyone who makes decisions in the Kremlin is exposed to powerful lobbying and sometimes yields to outside influence. At the same time I do not see anything objectionable in the fact that several draft laws on the same issue are placed on the president's desk at once. The president, mindful of the additional information that is available only to him and no one else, gets an opportunity to choose."

Kostikov was skeptical about the suppositions by a number of experts that in the Kremlin "the tone is set" to a large extent by Mikhail Barsukov, head of the Main Protection Directorate, and Aleksandr Korzhakov, chief of the president's bodyguard service: "They are no politicians. These are people who indeed fulfill a certain function in the president's entourage and whose opinion the president reckons with. Of course, they have an opportunity to speak their piece, but for the most part the president orients himself toward the opinion of experts and politicians."

At the end of the conversation the press secretary admitted that it is difficult for him to work in the Kremlin: "I still feel I am an independent person, but any personality is suppressed if it does not want to sing in unison.... I am not sophisticated in bureaucratic games and someone always defeats me. Here is the latest such example: In the process of moving to Building 14 of the Kremlin (in view of the upcoming renovation.—V. O.) the press service was deeply humiliated. We were provided with shamefully cramped premises. The president is one of the few in the Kremlin who understands the importance of the press service. The president's good attitude to me and my professionalism—this is what saves me."

Fedorov Says Coalition Government Would Mean Crisis

PM0211143993 Moscow ROSSIYSKIYE VESTI in Russian 2 Nov 93 p 1

[Unattributed report: "After Elections I Do Not Intend To Be Part of a Government Which Does Not Correspond to My Convictions, Vice Premier Boris Fedorov States"]

[Text] In response to a question about his intention to participate in the new government to be formed following the elections, Boris Fedorov stated: "I am tired of our halfhearted policy, our endless compromises, and the need to sit down with people who are my ideological opponents and who state that the government has no program. We have done a lot that is positive, but we now need a breakthrough, we need to accelerate our progress. The launching of the election campaign, the fuss about future posts, and the desire to postpone important decisions are things I find deeply unpleasant. I do not understand the way we often make or, more often, fail to make highly important decisions, why many problems are dealt with by dilettantes, or why the number of ministries and departments has reached the point where it is impossible to remember who all the members of the government are. That is why after the elections I do not intend to be part of a government which does not correspond to my convictions, is not united and highly professional, or is not devoted to the goals of reforming and reviving Russia. One more coalition government would mean a continuation of the crisis in the economy and politics."

Shakhray Makes Voluntary 'Declaration of Income'

PM0211135193 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 1

[Statement by Russian Vice Premier Sergey Shakhray carried under the heading: "Declaration of Candidate's Income Is a New Argument in the Election Campaign"]

[Text] The document which IZVESTIYA publishes here was passed to the editors yesterday by Sergey Shakhray on his own initiative before he flew off on an official trip. On Sergey Shakhray's insistence it was left uncut and unedited. In publishing his "declaration of income," IZVESTIYA is in no way inviting its readers to vote for Sergey Shakhray and his bloc at the forthcoming elections for the State Duma. At the same time we believe that his initiative deserves support from the electorate. Indeed, if other candidates follow his example, it will give voters the opportunity to vote more sensibly in the elections to the new organs of legislative power on 12 December.

[Shakhray statement] The beginning of the election campaign allows me to act on the recent proposal for the mandatory publication by all deputies and politicians of declarations of their income.

Having consulted the State Tax Inspectorate, I discovered that a declaration of income can only be officially presented from January through April of the following year—that is 1994—and even then only if there are other sources of income apart from wages. Therefore I have decided to disclose the following in an unofficial and arbitrary form:

"Public Declaration of Income and Property of Government Member and State Duma Candidate S.M. Shakhray."

There are four members of my family: myself, my wife, and two sons (7 and 4 years old). My wife does not work; she is raising the children.

1. My wages in 1993 stood at an average of 138,000 rubles [R] per month (they ranged from R52,000 in January-March to R332,000 in September of this year). My total income was R1,243,898. The total of taxes paid in this period was R183,318.

I have no other sources of income: I have received no royalties, and, thank God, no legacies either.

2. The family's deposits in the Savings Bank total around R14,000. We have no deposits in other banks.

3. We have a three-room cooperative apartment (the share is paid). It is a first-floor apartment. Because of this and the absence of the necessary communications (to lay on which required more than R4 million at 1991 prices), and also because of constant threats, living in this apartment has been impossible since 1991. After registering the transfer of this apartment to the disposal of the president's administration, we will receive, and hope by the end of the year to move into, a five-room apartment in a new block. Allowing for the right to additional space and plans to increase the family, we will not have any "extra" space.

4. We share a GAZ-2410 automobile with my wife's parents. In addition, each member of the family has his own bicycle.

5. At the present time we live in an official dacha with four rooms (we have no sauna, swimming pool, cook, or waiters).

We do not have our own dacha or plot of land.

6. We have no computers (and never have had any).

7. We have no property or investments abroad.

"To sum up," I confess, to write in the newspaper about one's personal income and family affairs is unusual and even unpleasant, but by **voluntarily** choosing to enter politics, a candidate, I am convinced, is obliged to inform the electorate of all material information about himself. The electorate and the press should have the opportunity to know what a given candidate brings with him into the election campaign. Indeed, a politician himself needs to insure himself against suspicions of bribery and corruption.

Opposition Asks Anatoliy Lukyanov To Run for Duma

MK0211143093 Moscow SEGODNYA in Russian No. 73, 2 Nov 93 (signed to press 1 Nov) p 1

[POSTFACTUM report: "Anatoliy Lukyanov May Run for Duma"]

[Text] On 31 October, Anatoliy Lukyanov held a meeting with representatives of opposition parties and movements at the initiative of the Smolensk People's Assembly [Veche]. Mr. Lukyanov was asked to run for the State Duma in the Smolensk district according to majority rules. Anatoliy Lukyanov said that "at present the opposition forces' social support base is much broader, but they have much fewer opportunities to contest the elections than a narrow group of people who have capital and control the mass media."

Yavlinskiy's Electoral Bloc Holds News Conference

LD0311025793 Moscow Radio Rossii Network in Russian 1900 GMT 2 Nov 93

[Text] A news conference by Grigoriy Yavlinskiy's electoral bloc took place in the Russian press center on 2 November. The fact that the bloc's name lists only the names of its leaders, Yavlinskiy said, is explained by concern for the voters, who must know for sure for whom to cast their vote. Correspondent Regina Lukashina has the details of the news conference:

[Lukashina] Yavlinskiy said that his bloc's main idea is as follows: We indisputably share democracy, and we will defend it in any way we can. A strong-arm dictatorship can be the only alternative to democracy in our country, but our society will no longer permit it. The methods of implementing democratic ideas require substantial corrections, however. The old methods do not prevent us from arriving, not at a democratic system, but at an authoritarian administration under the cover of democracy, at an acceleration of disintegrating centrifugal trends.

Yavlinskiy also specified what precisely is not to his liking:

[Begin Yavlinskiy recording] We believe that it is necessary to pursue an antimonopoly policy. We believe that it is impossible to carry through with privatization on the basis of vouchers. A system of protection of private ownership and state guarantees vis a vis owners should exist in order to protect them. Social expenditures should be recorded in the budget.

We believe that an active development of economic ties with the republics of the former USSR is necessary. We believe that a promise to reduce inflation to 10 or to 5 percent as early as this year cannot be achieved, but that a three-year program for managing inflation and reducing it to 3 to 5 percent three years from now [cherez tri goda v god] is necessary.

Industrial policy should not be formulated on the basis of the so-called selective method, which completely reflects all rules and habits of running this department in the State Planning Committee. [end recording]

[Lukashina] Yavlinskiy thought the main mistake of the current government is:

[Begin Yavlinskiy recording, in progress] ... an incorrect regional policy. At the present time, the regions objectively—if one does not regard them as a single national economy complex—have diverse planning interests. It is necessary to find a single course. Federal and local taxes frequently intersect one another, and citizens do not know where their money is assigned. Only money, credit, and currency and customs policy should be left to the management of the central administration of the economy. Resolving the other questions, including fighting crime and protecting property, should proceed from below. [end recording]

Kozyrev Urges Four-Year Term for Parliament

LD0311131293 Moscow ITAR-TASS in English 1211 GMT 3 Nov 93

[By ITAR-TASS diplomatic correpsondent Georgiy Shmelev]

[Text] Moscow, November 3 (TASS)—"If in December we elect a legislature for two years, then it will become a parliament of pretenders to the presidency", Russian Foreign Minister Andrey Kozyrev believes.

Kozyrev told ITAR-TASS on Wednesday that he thinks "nobody will work there" (in the future parliament). He noted that many politicians, including his colleagues in the democratic camp, are already suffering from an overactive ambition and the desire to ally themselves with some kind of political party.

That indicates that they have long-term political plans, Kozyrev said. This, in turn, means that "we are suggesting that parliament be a kind of a base, from which potential presidential candidates can show themselves off". "What we really need is a four-year parliament that can make decisions vital for Russia", the minister asserted.

By the end of the four years parliament will have had time to mature, and President Yeltsin, if he is reelected, will be able to ensure the proper holding of the next parliamentary elections. That "would be the best approach, as far as social stability is concerned", Kozyrev said, much better than trying to change the players as soon as possible, especially considering that most of the players are not even 40 yet.

Democrats To 'Spread Out' Candidates To Avoid Contest

MK0211115093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 2 Nov 93 p 2

[Yuriy Zaynashev report: "An Elephant and Mongrels?"]

[Text] Sergey Yushenkov, a leader of "Russia's Choice," said in an interview for MOSKOVSKIY KOMSOMOLETS that this bloc, along with leaders of other reformist parties, was beginning to "spread out" democratic candidates to the Federal Assembly to different districts in order not to scatter resources. Sergey Nikolayevich sees it as a mistake, however, that Yavlinskiy, Shakhray, and Sobchak chose to run on their own, although they could have been among the first nominees on "Russia's Choice" electoral list.

"Presently many parties have to make haste to think up their 'disagreements on principle with 'Russia's Choice' and to consider how the bloc could be hit hardest in order to split some of our voters from us."

Your MOSKOVSKIY KOMSOMOLETS correspondent wondered whether the Council of the Federation would be full of retrograde politicians, for Moscow, Mordovia, and Evenkia were given equal rights in the elections for this chamber. Sergey Yushenkov responded that the Council of the Federation was actually devised as a kind of counterbalance to the State Duma, a "conservative" one at that in the Western sense of this word. "Russia's Choice" has nominated primarily chiefs of local administrations and professional bureaucrats to the upper chamber. The bloc's supporters from Tver or Vologda, however, have been asking not for "locals," but for Muscovites from the central pack. So, Deputy Prime Minister Vladimir Shumeyko will run for the Council of the Federation, not the State Duma, as was reported earlier.

Yavlinskiy Bloc Opposes Constitutional Referendum

MK0311110593 Moscow NEZAVISIMAYA GAZETA in Russian 3 Nov 93 p 2

[Indira Dunayeva report under the "Elections" rubric: "Yavlinskiy Opposes Referendum on Constitution"]

[Text] Grigoriy Yavlinskiy and Yuriy Boldyrev, leaders of the "Yavlinskiy-Boldyrev-Lukin Bloc," held a news conference yesterday.

Yavlinskiy noted that the bloc, while standing for democratic values, sought to adjust the current methods of carrying out economic transformations in the country: "Otherwise, we will come to an overmonopolized, not market, economy; authoritarian, not democratic, rule."

Mr. Yavlinskiy said that his priority objective was to take part in creating "a parliament with constituent functions." This is why he does not approve of holding a referendum on the constitution simultaneously with parliamentary elections—it would render the parliament illegitimate as soon as it is elected. "Moreover, I do not think that the referendum will produce results that would enable us to do without further discussion of the constitution," he said. Yavlinskiy had particular doubts as to the prospects for resolving the problems of federalism and Russia's state structure "in a rough- and-ready fashion."

As for the bloc's opposition to the government, the issue is not whether a team is operating more or less successfully, but that government policies are going in the wrong direction, Yuriy Boldyrev said, calling this direction "vulgar-liberal." Yavlinskiy remarked that formerly it was the parliament that stood in the government's way. There has been no parliament for a month already, and "it seemed as if it were time for the government to close ranks and to come to grips with reform, but it has split into blocs instead." He warned that a rush of elections was approaching—presidential, local, and so forth—and "if the government is involved in all the elections and even directs this marvelous process, then reform will be in safe hands!"

Grigoriy Yavlinskiy also believes that the government should carry out intensive (not voucher-based) privatization.

State Duma May Not Be President's 'Obedient' Body

MK0311140593 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 45, 7 Nov 93 (signed to press 2 Nov) p A8

[Viktor Alekseyenko report in the "Opposition" column: "Options Are Open"]

[Text] The apparently routed opposition is intensively picking up strength for a new parliament. The only question is what it will be like this time.

The shooting at the White House could not destroy the social base of the advocates of the communist and nationalist ideas. It will hardly be surprising if high activity and party discipline will allow Gennadiy Zyuganov's Communist Party, Sergey Baburin's Russian All-National Union, and Mikhail Astafyev's constitutional democrats to raise 100,000 signatures and clear the 5 percent barrier. Elections in single-seat constituencies give them even greater chances.

The limited time frame for the signature-raising campaign and the different terms of participation in the elections for different opposition parties and associations will prevent the formation of an NSF-2 [National Salvation Front], but in the event of success by the "intransigents" in the new parliament the SNF's parliamentary faction Russian Unity will surely be revived. Of all the participants in the election campaign only the communists and the national patriots are destined for close collaboration both before 12 December and in the State Duma. A debut by the new "intransigent parliamentary opposition" will, in all likelihood, be the demand to give an assessment to the 21 September edict and all subsequent moves by the president. Depending on which part of the deputy corps supports this demand, one can judge about the initial lineup of forces in the State Duma.

The closest partner of the future communo-patriotic bloc may be the Agrarian Party's faction. In the ongoing elections race the agrarians are a "dark horse." Neither can one preclude rapprochement between the new "intransigents" and Arkadiy Volskiy's Civic Union for Stability, Justice, and Progress, which is laying claim to being a centrist organization, over certain issues—for instance, on combining a deputy mandate with a ministerial portfolio or on methods of economic reform. True, so far Volskiy is more inclined toward a union with Sergey Shakhray's and Konstantin Zatulin's bloc.

On closer examination it appears that with little exception, all the parties and blocs that get into parliament will in some respect or another be in opposition to Russia's Choice. The reasons may be various: disagreements on the constitutional and economic reforms, dissatisfaction with the more advantageous terms for Russia's Choice during the election campaign, different assessments of the 21 September to 4 October events, or the leaders' personal ambitions. In each specific case the importance of these factors will vary, but in its composition the Fifth State Duma will hardly become an obedient body of the president and his team. The influence of the new opposition and semi-opposition blocs will depend on their number and on whether Russia's Choice gets a "controlling bloc" of deputy mandates.

The 40 days that remain is not a very large time span for a normal election campaign, but even during this time, given the emerging split within the government and instability in society, surprise developments may not be ruled out.

Latsis on Parties' Lists of Candidates

PM0211163193 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 4

[Article by Otto Latsis: "Characters in the Play 'Election-93'"]

[Text] The first party lists have been registered. With the exception of S. Shakhray's Party of Russian Unity and Accord and G. Zyuganov's Communist Party of the Russian Federation, practically all the main political forces that are ready to top the 5-percent mark have literally revealed their faces, that is, they have revealed their candidates' faces.

A detailed analysis of these long lists has yet to be made. I have tried to quickly appraise them from one viewpoint: Since we are promised a new type of body of deputies, above all a bigger role for the middle class, what part do entrepreneurs play in the party lists and what sort of entrepreneurs are they?

"Russia's Choice," the election campaign favorite, opens its list with the name of Ye. Gaydar, founder of the All-Russian Association of Privatized and Private Enterprises, and the association's executive director, A. Golovkov, is No. 16 on the list. A. Chubays is fourth. His name is synonymous with the words "voucher" and "privatization." At the top of the list you find well known champions of market reforms B. Fedorov, S. Filatov, A. Yemelyanov, and others, but the only person among the top 40 on the "Russia's Choice" list who can be regarded as a "pure" entrepreneur is E. Ivanov, head of a peasant farm in Novgorod Oblast. The advocates of enterprise are there, but entrepreneurs themselves are not to be seen. Why? There can only be one logical explanation: Entrepreneurial activity and political representation of entrepreneurs are two different types of work. You cannot seriously run an enterprise and, at the same time, work professionally as a deputy. A serious entrepreneur will support whoever expresses his interests in parliament, but he will think twice about agreeing to run.

The top of N. Travkin's Democratic Party of Russia list looks approximately the same. The first entrepreneur appears at No. 17 and the names of the entrepreneurs are not famous all over Russia. One can well believe that they are prepared to swap their current jobs for that of a deputy.

But the "Civic Union" list makes one think hard about the intentions and plans of those who presented this list. First is A. Volskiy, third is A. Vladislavlev—that's fine. But second is "KamAZ" General Director N. Bekh, and fourth is Kirov Plant General Director P. Semenenko. Would they both prefer, at the age of 47, the status of political novices to their current status, which is that of organizers of industry who are household names in Russia? I find it hard to believe and I am reluctant to believe it. I am not talking about legality: It is all above board, if that is what they want. I am just trying to understand "Civic Union's" political intention and the candidate's personal intention. And in the hope that all is not yet lost for the KamAZ and Kirov people, I will mention some loopholes in the Statute on Elections which enable a candidate to concede his seat to the next person on the list even after the elections. (I entertain the same hope when I read in the list the names of two people's artists—V. Menshov and I. Kobzon. But my topic today is entrepreneurs). If my guess is correct, who will pop up from behind the backs of the celebrated and respected candidates? Further on in the "Civic Union" list you have, among others, V. Lipitskiy, loyal defender of A. Rutskoy's line in the former "Rutskoy party," V. Ispravnikov, loyal defender of R. Khasbulatov's line in the Supreme Soviet, and also the well known philosopher A./Tsipko, the first to put forward the idea that it was not those who started the shooting and killing who were responsible for the bloodshed on 3-4 October. If I am not mistaken, this is called Russian centrism today.

The "Fatherland" election association's list gives rise to quite different notions. It comprises the "Revival Union," the "Womens League," the Socialist Party of Working People, the Union of Cossacks, the Oil Industry Workers Union, and the Russian Union of Labor Collectives. And the list certainly does include representatives of all these organizations, including prominent oilmen. But what you wonder about is not the names of individuals, but the names of the parties. Socialist Party of Working People with Union of Labor Collectives and "Womens League"—that's natural enough. But with the Oil Industry Workers Union and Union of Cossacks? It is a mystery, if you assume an association with some basic property. But it is easy to explain if you assume a marriage of convenience. Organizations that cannot depend on clearing the 5-percent barrier alone have decided to try to do it together. You might wish them success and future progress were it not for the interesting name of one of the organizations in the bloc: Socialist Party of Working People.

There were three more or less mass parties that left the multimillion-strong CPSU detachment and promised without reservations to uphold the principles of the social protection of working people: Communist Party of the Russian Federation (Zyuganovists), Socialist Party of Working People, and Free Russia People's Party (former "Rutskoyists"). The Socialist Party cf Working People, as we can see, has refused to act under its own banners. The Free Russia People's Party, as we know, has split as a result of disagreements over its attitude toward A. Rutskoy above all. The loyal Rutskoyist V. Lipitskiy, as we have seen, has gotten himself on a pretty promising list. But what of the liberal-democratic wing, the opponents of Rutskoy? Nothing has been heard about its election intentions, unless you count the fact that the name of its leader, G. Vodolazov, has appeared in a party list. At No. 10 in T. Gdlyan's party.

It is a curious fact that articles and speeches by the 1917 Mensheviks have been very much in vogue among our historians and journalists in recent years. How right they all were, how exactly they foretold the misfortunes that lay in store for Russia as a result of the Bolsheviks' victory! They were very right. But they gave way to the Bolsheviks. Today both the parties that have the chance to uphold "socialism with a human face" in one way or another and win the votes of those who believe in the imperishable ideas of social justice—both these parties have given way to G. Zyuganov, champion of socialism with a Stalinist face, of state socialism. And this enviably aggressive politician is wasting no time. He is making loud noises on television to the effect that his party had nothing to do with the revolt since it is not banned, so it suffered the affront of having its activities wrongly suspended, and, consequently, what we have here is a dictatorship. He modestly fails to mention that the National Salvation Front, of which G. Zyuganov was a leader, has been banned, so it is deemed guilty. He also fails to mention what the real dictatorship of his political predecessors looked like: Its opponents did not make television broadcasts; their place was behind barbed wire. Is he hoping that everyone has already forgotten about this? Not so, not everyone has such a short memory.

An absolute marvel is the federal list of the Party of Consolidation, which is opened by A. Tikhonov, a politician close to R. Khasbulatov. Twenty-seven of the 41 names on it are heads of banks and oil associations and enterprises or administration chiefs in oil-producing cities and oblasts. "Germes" alone figures five times in various combinations. You have "Komineft," the "Neft" Central Distribution Administration, "Permkombank," the "Nefteotdacha" Scientific and Technical Complex. Is this the middle class the political scientists are expecting to take shape as a guarantee of social stability? Or are they simply the leaders of nomenklatura privatization, the old directors of state enterprises for whom property privatization has turned into privatization of official posts? There can be no suspicion here of the maneuver I was hoping for above, when talking about the candidacies of N. Bekh and P. Semenenko. What we have here is industrialists and officials who will certainly become deputies if they get the votes—otherwise the Party of Consolidation list will simply disappear. What policy, though, will this wing of entrepreneurs represent...

Let me just say that the Party of Consolidation list belongs to the category I would call twin lists. There are candidates who are on two different lists. At the present stage of the election campaign this is legal, and they still have time before the elections to remove their names from the second lists. But the political leanings of these candidates are presumably known to the leaders of the parties that nominated them and should be acceptable to them. So we can see to whom the very same names are acceptable, but who are they?

Pilot-cosmonaut V. Sevastyanov is No. 34 on the Party of Consolidation list. He is also Baburin's No. 14 on the Russian National Union's list. Also on Baburin's list, but somewhat higher up, is I. Kravtsov, general director of the "Rubikon" Production Association in St. Petersburg. The same name stands at No. 5 on the list of N. Lysenko's National Republican Party, which is on a par with the Barkashovites [banned fascist Russian National Union].

The party lists contain thousands of names. You would not be able to analyze what is what without a computer. It makes sense to start examining these political party self-portraits as soon as possible.

Consolidation Party Collects 60,000 Signatures

MK0311105593 Moscow NEZAVISIMAYA GAZETA in Russian 3 Nov 93 p 2

[Olga Odintsova report under the "Campaign" rubric: "Consolidators Are Almost Ready for Elections"]

[Text] "We actually invest money in small businesses, not pay lip-service to it," Gennadiy Danilov, president of the "Germes- Soyuz" multinational company, said at a press conference of the Consolidation Party electoral association. In his view, if this electoral association (and hence the "Germes" concern) wins the elections, there will be a faction in the Russian parliament that "actually comprehends the country's national economy and that will be able to create a strong class of small owners in our country."

As for possible allies, party chairman Aleksandr Tikhonov mentioned the "Civic Union for Stability, Justice, and Progress" electoral association. Tikhonov thinks, however, that merging the two electoral organizations would make no sense: "It will be more useful if we contest the elections along parallel lines," the party chairman told your NEZAVISIMAYA GAZETA correspondent. With regard to other parties and movements that reflect the opinions of Russia's business community, Viktor Filippov, a leader of the Consolidation Party, noted: It is a good sign that business people have been entering politics.

In addition, journalists were briefed on the results of the collection of the 100,000 signatures that are required for registering the party with the Central Electoral Commission. According to the leaders of the Consolidation Party, by 2 November 60,000 signatures had been collected in 10 regions of Russia.

'Control' of Election Expenditure Lacking

PM0311095793 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 4

[Georgiy Ivanov-Smolenskiy article under the rubric "Russia Before the Elections": "Party Money Remains the Big Secret Today"]

[Text] Long before the president's September edict which set the date for early parliamentary elections, if you went into expensive modern designer offices or attended sumptuous receptions or presentations you could often hear business people voicing candid statements of an emphatically political-financial character. Some who, because of their personality, tended to strike more of a pose were quite blunt: "We will 'buy' as many votes as it takes." Others expressed themselves more cautiously, but that did not change the essential point, which is that the financial clout of entrepreneurs who are now becoming independent enables them to play a most significant part in the political struggle, and the lists of election blocs, which include a whole galaxy of major commercial structures and big-name entrepreneurs, leave no doubts about the seriousness of the political aspirations of Russia's fledgling business.

If you bear in mind that many of the bigwigs who have remained in the shadows nevertheless simply cannot be uninvolved in or indifferent to the election contest, the theme of money becomes more than relevant in the present election campaign. The presence of functionaries—from top state figures to key local executives—on the lists of candidates from the powerful cohort makes the financial question entirely apposite. Finally, the launch of this unprecedently high-speed election campaign has shown that, to put it mildly, you simply cannot expect serious representation in the State Duma and the Federation Council unless you have serious money to spare.

Consequently it is not only the Central Electoral Commission but Russian society itself which is confronted quite starkly with the question of how to control election money and expenses in such a way that they do not "control" the voters and in turn the future deputies. The first attempts to understand the mechanism and sources of finance of the election campaign of a number of blocs and parties has produced a far from optimistic answer to that question.

With few exceptions your IZVESTIYA correspondent failed to track down either the names of the sources of finance or, especially, the actual sums involved. Nikolay Travkin, leader of the Democratic Party of Russia [DPR], gave a quite clear answer on the initial spending on the election campaign: "To rent the House of the Unions Hall of Columns for a congress cost us R400,000 an hour. The party has the money in its bank account and it comes mainly from party subscriptions. The DPR's election fund has only just begun to be formed but it will not run to billions. So it will be necessary to collect several hundred million."

Viktor Kobelev, aide to Vladimir Zhirinovskiy, leader of the Liberal Democratic Party [LDP], also drew a quite definite picture. Around 60 percent of the election funds, in his words, will come from the subscriptions of party members, who number about 40,000 (the levy is 1 percent of people's wages, but they do send more than that). The remainder is split roughly equally between donations from private individuals, sponsorship money from commercial structures, and income from the sale of the party periodical and from Zhirinovskiy's book "The Last Push South" ["Posledniy Brosok na Yug"]. According to V. Kobelev, the cost of running a campaign for the 160 candidates nominated by the LDP will be R500 million, which the party hopes to find with the help of funds from the electoral commission. When asked about accounts, the answer was categorical: "What are you worrying about. We have a bookkeeping section..."

There was an equally categorical answer, albeit categorical in a different sense, from the Kadets (the Party of People's Freedom), whose list is headed by diehard patriots Mikhail Astafyev, Igor Sharafevich, and Aleksandr Nevzorov. When I asked Mikhail Maksimov, secretary of the Kadet Central Committee, to name the party's financial sources he shouted most crudely over the telephone: "No, I will not tell you that."

Otherwise the conversations that I had on the theme of "elections and finance" were not noticeably specific, albeit for a variety of reasons. For example, Igor Yakovenko, cochairman of the Republican Party of Russia [RPR] which belongs to the "Yavlinskiy-Boldyrev-Lukin" bloc, said that officially they had spent "zero rubles zero kopeks" on the campaign, and that their financial situation was "a complete fiasco—we do not even have a bank account yet, so there is nowhere to keep donations." "According to our calculations," I. Yakovenko said, "the bloc could poll at least 15 percent of the votes, at most 30 percent. To poll the maximum number of votes possible we would need around R10 billion, although if we confine ourselves to the general federal list we could manage with a few hundred million. We are mounting our campaign with the help of enthusiastic volunteers—some provide cars, others print subscription lists. The Social Democratic Party has set several hundred thousand aside, but that is peanuts." Generally speaking, in I. Yakovenko's opinion, despite the high financial and economic prestige that Yavlinskiy enjoys, his bloc finds itself in the least favorable position in a purely financial sense because of the lack of organizational structures. The material problems are due among other things to Yavlinskiy's fundamental unwillingness to resort to a common trade-off: political capital in exchange for conventional capital. In Yakovenko's words, this is actually the reason for the last-minute disagreement between the bloc's leader and Konstantin Zatulin, chairman of the association "Entrepreneurs for a New Russia." It is obvious that the problem of the interconnection between money and policy frankly outlined by the RPR cochairman will have repercussions for Russian society in the elections and in the State Duma thereafter.

The "financial uncertainty" of the "Russia's Choice" bloc is indicative in this respect. The presentation attache cases at the bloc's founding congress brought past congresses to mind, and the free caviar served there caused the participants to exclaim: "It's like a communist lunch." Confirming Yegor Gaydar's comment that not a kopek of state money had been spent on this event, Aleksey Golovkov, the bloc's election campaign manager, replied to the first request to talk about finances that he would have to wait for the accountant before he could answer that, but a day later he said that "the accountant is irrelevant here" because at the moment the campaign is being conducted "by means of the free help of political partners." As a political supporter of "Russia's Choice" and conversely not a supporter of "general equality" I must admit that I could not help wondering how free support in the form of a two-day lease of the Dom Kino [Movie House] can be possibly permissible. But the fact that the value of the lease is known to the "political partners" means that the voters are at least entitled to that information too. Be that as it may, even if the figure cited by the experts of the "August" bloc, who estimated the launch of the "Russia's Choice" election campaign at almost R1 billion, is somewhat exaggerated, this does not remove the problem of a financial ceiling for all blocs and parties irrespective of the number of vice premiers in their ranks and different types of material assistance.

Meanwhile, to this day there is still no comprehensive official document to regulate the receipt and expenditure of funds on the election campaign by the party and bloc financial departments. Yes, there is the Central Electoral Commission's instruction letter entitled "On the Financial Resources of Electoral Commissions," which has been distributed to various addressees. But no instructions have been distributed to the blocs or parties, because there has not been time to draw them up. Consequently they can spend whatever they like, however they like.

It should be recalled, however, that at the beginning of October the Economic Freedom Party [EFP] which, it is generally acknowledged, has considerable expert potential, estimated that a worthwhile election campaign for a single candidate would cost R10 million. By the end of October that figure had rocketed to R20 million. The estimates of other parties and blocs hover more or less around the seven-figure mark. Consequently it is difficult not to agree with the suggestion of Konstantin Borovoy, cochairman of the EFP and the "August" bloc, that not only should the candidates' personal incomes be declared in the press (which incidentally Sergey Shakhray did voluntarily in IZVESTIYA last Saturday), but party election income should be declared there too. However, the initial "financial impressions" make it equally clear that it will be no less difficult to monitor these incomes and receipts, but the most important thing is that in event of discrepancies it should be possible to take "practical steps" against offenders.

Funding Earmarked for Poll, Referendum 'May Not Suffice'

PM0311095593 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 1

[ITAR-TASS report from "From Our Correspondents and News Agencies" column: "Planned Election Resources May Not Suffice"]

[Text] To date only 95 billion rubles [R] of the R170 billion planned for holding the Federal Assembly elections and the referendum on the new draft Russian constitution has gone to district electoral commissions.

This figure was quoted to the finance group by Revomir Garmayev, member of the Central Electoral Commission. In doing so he did not rule out that the Central Electoral Commission may have to ask the government to increase somewhat the expenditure on the organization and conduct of the election campaign and the all-Russia referendum.

Electoral Campaign Developments Reported

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[By ITAR-TASS observer Tamara Zamyatina]

[Text] Moscow November 3 TASS—For the first time since 1917, an electoral campaign, in which numerous parties and blocs are taking part, is developing in Russia. Some 30 associations and parties have registered the lists of their candidates at the Central Electoral Commission. Along with the collecting of signatures, they actively joined the propaganda campaign, which, most often, is taking the form of press conferences held by leaders of the blocs. Today such press conferences will be held by leaders of the Civic Union and the Communist Party of the Russian Federation, who will tell journalists about their electoral platforms.

On Tuesday the press conferences were held by representatives of the Yavlinskiy-Boldyrev-Lukin bloc, of the Consolidation Party and the Russian christian-Democratic movement. Those organisations, together with about a dozen other parties and movements which are close to them, stick to liberal values. Political scientists seem to be the only one wo know the difference between them. Electors, however, know the parties and blocs by the names of their leaders who represent either a radical market orientation, like Yegor Gaydar, or the idea of a united federation, like Sergey Shakhray, or the hope for the formation of the class of business people in Russia, like Konstantin Borovoy.

The attention of the public is concentrated on the names of five or six electoral blocs and the politicians leading them. But when electors are given ballot papers for all-federal voting with the names of some 30 parties and associations, it will be difficult for them to make a choice between them.

The most far-sighted politicians, like Yegor Gaydar and Sergey Shakhray, are urging the parties with similar platforms to form electoral coalitions, in order to reduce the list of contenders to just several blocs. However, specialsts in electoral tactics, specifically Dr. Vyacheslav Nikonov, a historian, believe that the proportionate system of elections, used as a basis for the parliamentary electons, does not encourage parties to form coalitions. On the contrary, every party will seek to dissociate itself from its rivals by criticising their programmes, so that electors will remember it better.

Provinces are copying the make-up of political forces, which is taking shape in the capital. The number of electoral blocs is growing there as well. In Khabarovsk supporters of Russia's Choice are dissatisfied with the federal list of candidates which, in their opinion, "includes candidates, imposed by the conciliatory commission of the bloc." The People's Russia electoral bloc, which is in opposition to the government, was created in Irkutsk. Krasnodar became the scene of the growing activity of supporters not only of Yavlinskiy and Shakhray, but also of Zhirinovskiy.

In this situation it is not difficult to understand the step taken by the Russia's Choice branch of the Baykal region. They protested on Tuesday the decision to hold elections to new authorities of the representative branch of the Chita region also on December 12. They believe that the step is intended for allowing the existing regional council to take the initiative into its hands, while democrats will be unable to act "at the two fronts."

The main political forecast concerning the electoral campaign is coming true: passions are running high all over the country.

Rules for Foreign Observers of Elections Specified

MK0211133093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Nov 93 p 1

[Ivan Rodin report under the "Campaign" rubric: "There Will Be Many International Observers. They Will Act as Central Electoral Commission Bids Them"]

[Excerpt] On 30 October the Central Electoral Commission [CEC] approved the regulation on the status of international (foreign) observers in the elections. To be recognized as an international observer (IO) one has to be "a person accredited with the Central Electoral Commission to exercise independent international supervision and monitoring over the conduct of the electoral process, who is a foreign citizen (subject) and has specialized knowledge in the areas of electoral law and politics, and also experience of involvement in the monitoring and supervision over the conduct of election campaigns." The CEC will decide on granting IO status, establish the term during which one's powers will be valid, and issue a certificate. An IO's powers may be canceled by the CEC in the event of activities that are incompatible with his status and responsibilities, and also in the event of his violating Russian Federation legislation. An IO may be stripped of his powers both at the initiative of the CEC and at the recommendation of government authorities and officials.

The regulation emphasizes that IO's are patronized (protected) by the Russian Federation state. They are entitled to receive any information on the elections, be entitled to a guarantee of the state's nonintervention in their activity, but, on the contrary, can rely on the Foreign Ministry's and the CEC's assistance. IO's may monitor all stages of the election campaign, and be present at any site where voting boxes are located or votes are counted. In addition to monitoring, an IO may give his assessment regarding all stages of the campaign in terms of whether they are democratic, fair, and in line with international law, by reflecting these assessments in expert opinions that will be recommended. [passage omitted]

Article Urges Voters To Turn Out for Elections

PM0211170993 Moscow PRAVDA in Russian 2 Nov 93 p 1

[Viktor Trushkov article: "There Is No Choice, But It Is Essential to Turn Out for the Elections—Every Ballot Paper Will Count"]

[Text] Quite clearly it is simply wrong to describe the elections coming up in December as legitimate or constitutional. Even their initiators avoid such evaluations, while other representatives of the left-wing opposition evaluate them as "a mockery of democracy and common sense," as was heard at a recent press conference. Naturally enough the opponents of the present authorities are asking themselves the following reasonable questions: Would it not be better to ignore the elections? Are we not endorsing the present authorities by agreeing to go to the polls 12 December?

Let us weigh things up.

A boycott of the elections, of course, could have both political meaning and a powerful psychological impact if the elections proved untenable as a result. This was possible until quite recently: Elections were deemed null and void if fewer than half of all registered voters took part in them. Nowadays such high thresholds are recognized as excessive.

The statute on elections to the Federal Assembly introduced by presidential edict states that for an election to be valid a turnout of just 25 percent of registered voters is sufficient, and that the person who attracts more votes than any of his rivals will become a deputy. (So if we assume that each of the 28 blocs and parties which have submitted applications to the Central Electoral Committee puts forward its own candidate in any one single-seat district, it is possible that 1.5 percent of the votes of the district's electorate will be enough to get elected to the State Duma.)

I am certain that one-quarter of voters in each district will go to the polls, if only from among supporters of the incumbent government. Let me remind you that during the April referendum there was not a single region in which the president and his policy received the support of fewer than 25 percent of voters (across Russia as a whole, 37 percent offered their support).

This means that a boycott of the elections by opposition supporters can have just one result: The Federal Assembly will be nothing but a puppet assembly, and there will be no deputies in it geared toward defending the interests of the working individual. No, it is essential to turn out for elections—even the December elections. And it is incumbent on everybody to turn out if they can. The results of the April referendum prove convincingly that, the higher the turnout of voters at the polling stations, the lower the percentage of support for current government policy.

The choice, admittedly, will not be crystal clear, for which reason it may be only too easy to get disoriented. Around 30 parties and blocs have declared their desire to submit party lists. They will participate in the nomination of candidates in the single-seat districts for the State Duma, as well as the dual-seat districts for the Federation Council. So it is essential to highlight certain features of the political forces fighting for deputies' seats.

Those who support the government are favored by radio and television. However, they are going into the elections not with fists raised but with arms wide open, and in doing so they are misleading the electorate and banking on picking up additional votes. I do not exclude the possibility that for some these elements—the "Rash Choice" [Vybros] bloc (this is the contraction devised by newspapers for Ye. Gaydar's "Russia's Choice"), Shakhray's Party of Russian Unity and Accord (PRUA), the Russian Movement for Democratic Reforms (RMDR) under the tutelage of G. Popov, the "August" bloc (kingpin here is K. Borovoy), the "New Russia" bloc (T. Gdlyan and N. Ivanov), and G. Yavlinskiy's nameless bloc, plus the "Rash Choice" offshoot known as the "Association of Independent Professionals" led by P. Filippov—constitute the magnificent seven. But I want to stress that all seven are of one and the same bourgeois-radical hue. But let its participants themselves decipher the distinguishing nuances within it. This is a less than uplifting task for the electorate.

The opposite—left—flank of the electoral spectrum is not so ornate. It comprises the Communist Party of the Russian Federation (with politician G. Zyuganov, cosmonaut V. Sevastyanov, and lawyer V. Ilyukhin occupying the top three positions on its list) and the Agrarian Party (which includes M. Lapshin, president of the "Lenin's Testament" Joint Stock Company, Vice Premier A. Zaveryukha, writer V. Rasputin, and V. Isakov, people's deputy in the interned Russian Federation Supreme Soviet, among its famous names.)

Those between the two extremes call themselves the "center." Here stand the parties and movements which have expressed agreement with the policy of capitalism being forcibly imposed but who dream of ennobling it. They include the Civic Union "For the Sake of Stability, Justice, and Progress," better known by the names of A. Volskiy and A. Vladislavlev, and N. Travkin's Democratic Party... The "Fatherland" electoral association falls between the "center" and the left wing. And it is an electoral association in the true sense of the term, since a lasting alliance of the Socialist Party of the Working People, the Union of Oil Producers, and the Union of Cossacks is highly improbable...

A separate category may be set aside for parties for which the problem of statehood and patriotism takes precendence over both the choice of economic policy and the problems of social disorder... It includes the Constitutional Democrats, where alongside M. Astafyev stand Academician I. Shafarevich and reporter A. Nevzorov, the Russian National Alliance (S. Baburin, N. Pavlov), and the Russian Christian Democratic Movement (V. Aksyuchits, together with writer Yu. Vlasov and T. Ivanova, a journalist from the closed "Radioparlament," both of whom are associated with him.)

The expanse of parties and movements may shift yet again, but only in terms of number. The points around which they will crystallize have been clearly defined.

Right now each party and each bloc is rushing to collect 100,000 signatures expressing support for it, so that it can take part in the real battle for seats. As the time runs out, what is required is vigor and quick-wittedness not only from the party organizers but also from the voters, who are not indifferent to the country's fate—especially the supporters of left-wing forces.

New Election Bloc To Field 60 Candidates for Duma

MK0211113093 Moscow MOSKOVSKAYA PRAVDA in Russian 2 Nov 93 p 1

[G. Khalzova report: "'New Russia' Bloc Born"]

[Text] Members of the Russian People's Party with their voices hoarse (after the merging) opened a meeting with Telman Gdlyan. The new pre-election bloc also includes the Social Democratic Party, the Peasants Party, the Social Liberal Party, and other parties from various regions of the country. They will field more than 60 candidates. The new bloc believes that it has real chances to assert itself as a political force. On the political spectrum New Russia sees itself as a progressively democratic center, to the left of which are the aggressive social-patriotic groupings, while to the right are the well-organized post-communist legions. On the whole, it supports the president but expresses disagreement with his cadre and legal policy.

Addressing the press conference, Gdlyan spoke about the program the new bloc intends to implement in the Duma. Among the economic problems he mentioned was in particular the reduction of the taxation level through imposing an excise on rent revenues by energy producing and consuming enterprises. The main question is about the mass media—they must be absolutely free whereas today the pro- government, ministerial bloc Russia's Choice has monopoly control of all the mass media (this according to Gdlyan). The most important question is the reformation of the law enforcement system, its social protection against criminal structures.

The first task of the deputies, Gdlyan noted, is to move to stability via elections. The new parliament promises to be heterogeneous, but this is inevitable because the elections are being held in haste. The same contradictions are arising now as in the past and the main actors in the parliamentary struggle are also the same as before. There must be no nomenklatura in the Duma, else it will be cut off from the people. New Russia expresses its solidarity with G. Yavlinskiy's bloc and also relates with understanding to the babushkas who chant at their rallies: "Lenin, the party, the Komsomol!" with respect to the lack of social protection, and with full sense of responsibility promises them the latter.

Economic Issues

Premier Discusses Privatization With Oil, Fuel Chiefs

MK0211120093 Moscow SEGODNYA in Russian No. 73, 2 Nov 93 (signed to press 1 Nov) p 3

[Sergey Seninskiy report under "Fuel and Energy Complex" rubric: "State Committee for the Management of State Property 'Puts it on Hold.' Head of State Committee for the Management of State Property 'Was Unaware' of the Oil and Gas Complex Demonopolization Drafts Being Prepared in His Agency"]

[Text] The further elaboration of a number of drafts of government documents oriented to forming a multitude of competitors in the oil and gas sectors of the Russian economy has been put aside. Sergey Vasilyev, head of the working center for economic reforms under the Russian Federation Government, stated that the drafts were "raw." The State Committee for the Management of State Property too has slowed down its demonopolization activities. The reason for the temporary lull, perhaps, is the results of the recent conference at Premier Viktor Chernomyrdin's office of chiefs of the Ministry of Fuel and Energy; the corporations "Gazprom," "Yukos," "Surgutneftegaz;" and state enterprises of "Rosneft" and workers on the government staff. The discussion touched precisely on the drafts of documents being prepared. It appears from the conference's verbatim record that the pattern of privatization of oil corporations defined by the cabinet's April decrees remains unchanged. On the contrary, the State Committee on the Management of State Property, together with the Ministry of Fuel and Energy, has been directed to complete, before the end of the current year, the fulfillment of last year's presidential edict on features of privatization in the fuel and energy complex, and, first and foremost, in those parts of it that concern themselves with publicly floated oil enterprises, the handing over of government stocks to the commercial administration "Rosneft" State Enterprise, the formulation of rules for the holding of investment auctions, and so forth. More, Mr. Chubays and Mr. Shafrannik are supposed to report during November on measures being taken in that direction.

The State Committee for the Management of State Property insists on its rights to become involved in the process of privatization of individual enterprises of the oil and gas complex up until the last share from the government share of stocks has been sold. Industrialists insist that they are entitled to independent action within the scope of powers they have been granted. The verbatim record of the conference at the premier's office contains an approval of the demands by the Ministry for Fuel and Energy and directors of the oil corporations to this effect. Yuriy Shafrannik (Ministry for Fuel and Energy), Boris Fedorov (Finance Ministry), A. Putilin ("Rosneft" State Enterprise), Ram Vyakhirev ("Gazprom" Russian Joint-Stock Company) have been instructed to form a joint commission to hammer out a procedure to inventory the peculiarities of privatization of Russia's fuel and energy complex in accordance with last year's presidential edict on this matter.

According to an informed source inside the government staff, Viktor Chernomyrdin phoned Anatoliy Chubays at the end of the conference. In his words, the head of the State Committee for the Management of State Property knew nothing about the drafts being prepared anywhere, including his agency, and promised to "straighten it out."

Central Bank Chief Views Economic Situation

AU0211175393 Vienna DER STANDARD in German 2 Nov 93 p 20

[Hans V. Haumer report: "For the First Time Light at the End of the Tunnel, But Russia Is Still Facing the Big Upheaval"; all ruble sums as published]

[Text] Vienna—This year Russia's economic crisis has abated a little. However, the great upheaval is still ahead. While 1993 was the year of announcing a rigid thrift policy, 1994 will probably be characterized by the first attempt to implement it. In an interview with DER STANDARD, the head of the Russian Central Bank, Viktor Gerashchenko, calls for a balance between improvement and stabilization.

In the West Gerashchenko has the reputation of being an opponent of Yeltsin. He himself calls his relationship with the president "normal." However, even after Parliament has been suspended, he does not hide his reservations about radical reform. "The IMF wants us to reduce inflation as quickly as possible. But what is the price for that?" he asks.

Deputy Prime Minister Aleksandr Shokin has already named this price, as DER STANDARD reported: The Russian Government expects 10 to 12 million unemployed as a result of the cutbacks in state subsidies. At the moment, more than 700,000 people have officially registered as unemployed. In reality, however, more than 3 to 4 million people are probably without a job.

The conference "Meet the Government of Russia," which was organized by the Russian National Economics Academy and the Geneva Multi-Marketing Group in Vienna on Saturday, noted a ray of light at the end of the long tunnel. This year inflation is to amount to an annual average of only 800 to 900 percent. Thus, according to Gerashchenko, it would be only half of what it was in 1992.

The budget deficit will also be clearly below the level envisaged by the old parliament, which was 23 quintillion rubles [R]. Finance Minister Boris Fedorov expects R11 quintillion this year, Minister Gaydar up to R15 quintillion. Gerashchenko holds the middle ground with his forecast of R13 quintillion.

Loans and Interests

The head of the Central Bank says that the volume of loans granted by his bank this year is R1,200 quintillion. The interest rate for loans rose from 80 to 210 percent on the free market. The discount rate of the central Bank is 7 percent below the market interest rate.

The Central Bank does not pursue an independent loan policy. All loans must be approved by the government, Gerashchenko says, rejecting criticism of too generous loans. Following turbulences this year, he expects a stabilization of the dollar-ruble exchange rate between R1,150 and R1,300 per dollar for the next months.

Gerashchenko Criticizes 'Shock Therapy' Policy

AU0211192993 Vienna Oesterreich Eins Radio Network in German 1700 GMT 2 Nov 93

[Report by Elisa Wasch in Vienna, including recorded remarks by Central Bank Chairman Viktor Gerashchenko; date not given; Gerashchenko speaks in Russian with superimposed German translation]

[Text] [Wasch] Viktor Gerashchenko does not favor shock therapy for the Russian economy. He rejects a total deregulation of prices and says prices for certain products should remain frozen.

[Gerashchenko] I once saw the American film "One Flew Over The Cuckoo's Nest." In this film Jack Nicholson is given electric shock treatment. After that he is not well at all. I think that this situation can be compared to the shock therapy advocated for the Russian economy. In a huge country like Russia the shock therapy cannot be successful.

[Wasch] Under these circumstances it does not seem easy for Viktor Gerashchenko to support the policy of Yeltsin and his economics minister, both of whom advocate shock therapy. Gerashchenko cautiously criticizes the government's policy. He says that the Central Bank has done everything that the government has demanded, but this has not improved anything. Inflation has reached gigantic proportions in Russia. At the moment it is at 25 to 30 percent per month. The ruble is not recovering; at the moment the exchange rate is almost 2,000 rubles to the dollar. Gerashchenko has repeatedly been blamed for accelerating inflation by liberally granting credits to nationalized companies. He strongly rejects this and says that all the credits were demanded by the government and approved by Parliament.

[Gerashchenko] We must not forget that 85 percent of the money put into circulation by the Central Bank each year is needed by the government for financing the budget deficit, and for credits that the government thinks necessary for various measures, for instance, in agriculture.

[Wasch] In Gerashchenko's view the high inflation is not due to the monetary policy but to high production costs in unprofitable companies. He suggests that the economy be restructured.

[Gerashchenko] We have inherited a very unbalanced economic structure. The defense industry is completely out of proportion. We must support companies that produce consumer goods, products which benefit the population.

[Wasch] Asked whether it is easier to make economic decisions now that there is no conflict between the government and parliament, at least for the moment, Gerashchenko says:

[Gerashchenko] Of course it is easier to make decisions without a supervising authority. In the end, however, what is important is that these decisions are right.

Bank Raps Media on Ban on Foreign Cash Payments

PM0211152193 Moscow ROSSIYSKAYA GAZETA in Russian 2 Nov 93 First Edition p 1

[Unattributed report: "Don't Believe Rumors, Believe the Central Bank"]

[Text] As we have learned, with effect from 1 November 1993 the Bank of Russia is halting the issue of licenses entitling organizations to sell goods or services for foreign currency in the form of cash because with effect from 1 January 1994 the sale of goods (or services) to Russian citizens for foreign currency in cash is being discontinued. At the same time foreign currency payments between enterprises holding an appropriate Central Bank license and between citizens will be made in all the other forms that are usually encountered in international practice (including the use of checks and credit and debit cards). Foreign exchange desks at banks will also continue to work as normal.

In this connection specialists from a Central Bank Main Administration deem it necessary to note that the numerous commentaries on the aforementioned decision by the Central Bank that have appeared recently have not always been accurate. This measure is not a panacea for our economy and has never been regarded as such. The ban on the circulation of foreign currency in cash form is merely a first, albeit extremely limited step toward strengthening the ruble. It has become possible because of a certain stabilization of the ruble, as reflected by the situation on the foreign currency market. At the same time, in the opinion of the specialists from the Central Bank Main Administration, allegations that this measure will frighten off foreign investors are also unfounded—after all, only financial stabilization, including the strengthening of the ruble, can attract investors. Moreover, the ban on the use of foreign currency in the form of cash is designed to restrict opportunities for "laundering" it by criminal structures, something which is also being welcomed by major business circles.

Rumors that authorization to accept foreign currency in cash for goods and services will allegedly be preserved on an exceptional basis for "a chosen few" and that in order to do this it will be necessary to "wait in line to be officially registered at the Central Bank's Moscow Administration" are simply untrue. It is a great pity that certain mass media and even some bankers have chosen to believe this "canard."

In Moscow 935 organizations are authorized to trade in exchange for foreign currency (80 percent of these are currently offering services for foreign currency in cash). However, only about 200 of them have submitted the mandatory account of their activity to the Central Bank Main Administration for the city of Moscow. Regarding the rest, the issue of whether or not to use sanctions under Central Bank rules—which could go as far as withdrawing their licenses—is being examined.

Regional Affairs

Trade 'State of Emergency' Proposed in Moscow

PM0111110193 Moscow IZVESTIYA in Russian 28 Oct 93 First Edition p 8

[Rustam Arifdzhanov report: "Luzhkov Proposes Introducing State of Emergency in Moscow Trade"]

[Text] Discussing the trading situation in Moscow at a session of the Moscow Government, the mayor of Moscow described it as terrifying. Everywhere you look, buyers are being ripped off and deceived, and rackets are rife.

Stores are offering shoppers goods that are unfit for consumption or even injurious to health, every month billions of rubles are stolen in trade, and colossal sums are being hidden from taxation. This year alone 1,170 criminal cases have been opened against people working on the capital's stalls. The work of the city's trade inspectorate has caused particular indignation among Moscow's leaders. It has netted fines totaling only 40 million rubles over the last nine months—this may not even be enough for the upkeep of the inspectorate itself. The work of the administrative and sanitation inspectorates is no better, incidentally. The officials at City Hall and the prefectures have proposed setting up yet another monitoring organ as a way of extricating themselves from the situation—a city commission to coordinate monitoring of the activity of Moscow's trading and industrial complex.

We do not need to set up a new commission; instead we need to investigate whether the capital and other cities really need these trade inspectorates.

The Russian State Trade Inspection Administration nevertheless believes that closing down the trade inspectorates is not the way to resolve the problem. Valeriy Kapitsa, deputy chief of Russian inspectors, stressed that experience of this already existed. In a number of regions the local authorities have refused to accept trade inspectors. However, thieving increased rather than decreased after this. The inspectorates were restored.

In Moscow it was decided to make a start by removing the directors of the administrative, sanitation, and trade inspectorates. A new monitoring organ will not be set up. City Hall's Consumer Market Department will be answerable for everything that happens on the Moscow trading scene. The same department has been tasked with preparing proposals to introduce a state of emergency regime in Moscow trade. Admittedly, nobody really knows what a trading state of emergency is. Surely we can manage without the Special-Purpose Militia Detachment?

Impact of Ural Republic Proclamation Viewed

PM0211172393 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 2

[Reports by Aleksandr Pashkov and V. Kononenko report: "Ural Republic Starts To Live According to Its Constitution"]

[Text] [Pashkov report] Yekaterinburg—Following statements made by individuals from the president's administration to the effect that the formation of the Ural Republic is not approved by the federal authorities and that it may be followed by a harsh reaction from Boris Yeltsin, Sverdlovsk Oblast Governor E. Rossel—

having visited Moscow—has issued his first edict, which ratifies a number of statutes for the transitional period.

In this way, the Ural Republic Constitution, which was published Saturday [30 October], is starting to operate on the territory of what is now the former Sverdlovsk Oblast.

Whereas during preliminary discussion of the future of the Ural Republic two viewpoints were prevalent (that it was being formed for greater economic autonomy for the Ural inhabitants; and that it was necessary for the oblast's leadership as an instrument for strengthening personal political positions and ambitions), now many specialists view the question more broadly. Is the Ural Republic needed by the federal authorities as a factor of pressure on the "sovereigns" or is this an autonomous "game" being played by one of the major industrial regions?

Sergey Stankevich and Leonid Smirnyagin Comment on Decision of Sverdlovsk Oblast Soviet

[Kononenko report] Presidential adviser S. Stankevich believes that its emergence may be the last act in a parade of sovereignties which in fact has concealed the redivision of property and power by the regional elites in their own favor in the face of a weakened federal center which got dragged into a lengthy and self-destructive conflict with a pseudoparliament. This is the oblast's delayed reaction to the process whereby the republics which exploited the constitutional "groundwork" left over from the days of the USSR have flourished.

The uncontrolled redivision, accompanied by flaws and excesses, has led to the creation of a regional system of legitimacy—separate from the federal one—which has disrupted the constitutional-legal unity of the Russian state. The parallel existence of two systems, as formulated in the Federation Treaty, could only be a temporary compromise.

Building the treaty into the Constitution would mean taking a step toward confederative-type relations. As one of the leaders of PRES [Party of Russian Unity and Accord], Stankevich stressed that the party will gear itself to federalism as the only way of saving Russia.

According to Stankevich, "the Russian lands," which unite several regions and are vested with powers similar to republic powers, could be one of the ways of ensuring equality. At the same time, he considers it reasonable to retain those elements of republics' state characteristics which have a traditional hue, given the rigid observance of key principles: a ban on secession, the priority of federal legislation over local legislation, and guarantees against the unilateral revision of powers agreed and assigned to the lands and republics on a mutual basis.

L. Smirnyagin, member of the Presidential Council, considers these principles to be of paramount importance. He viewed the step taken by Sverdlovsk Oblast Soviet as one that rocks the "prevailing balance of inequality affecting the rights of other components." In order to be legitimate, the Ural Republic must obtain the assent of other oblasts, Smirnyagin believes; he advocates legal leveling "at the top level"—that is, extending the regions' powers to the level of the republics' powers. At the same time, he warns that abolition of the categories of sovereignty may take the form of strengthening the center's functions, render everyone "equally deprived of rights," and strengthen unitarist instead of federalist principles.

According to experts from the Russian Sociopolitical Center, the actions of Sverdlovsk Oblast Soviet are the latest manifestations of a spontaneous regional separatism [regionalnaya samostiynost] which has lost both its role in the political game and its support base. The ambitions of regional leaders were encouraged by the central executive and administrative power as an additional counterbalance in the contest against the former Supreme Soviet, by hindering its creation of a hierarchical pyramid of soviet power. In today's political setup, ethnically colored regional separatism and parochialism are hindering the actions of the new economic structures and are seen as retarding privatization and the development of cooperative ties and the functioning of normal market institutions. The present context of the problem of sovereignty presupposes among these the leveling of Russia's economic area, which corresponds to the interests and the strengthening of the real power of concerns, banks, and ministries.

In the next few days we will doubtless learn the reaction of the Russian Federation president to the challenge of the Sverdlovsk-Yekaterinburg deputies—after Yeltsin's meeting with the heads of administrations scheduled for Wednesday. N. Medvedev, chief of the Presidential Administration's administration for work with the territories, only told your IZVESTIYA correspondent that for three days it has not been possible to obtain from Yekaterinburg the official documents connected with the proclamation of the Ural Republic. It is most likely that this is deliberate. It is possible that the oblast soviet is trying to amend something. But as far as I am concerned, one thing is clear: The oblast soviet's decision does not fit within the framework of either the current Constitution or the future Constitution, and it radically contravenes the president's edicts, Medvedev stated.

Yarov on Reinstatement of Sverdlovsk Region Status

LD0211192193 Moscow INTERFAX in English 1452 GMT 2 Nov 93

[Text] Russian Vice-Premier Yuriy Yarov described the self-proclamation of a Ural Republic as an unnecessary move which adds tension to the process of resolving certain questions.

In an interview with INTERFAX on Tuesday, Yuri Yarov said that at first, the talk on creating a Ural Republic was justifiable since the demands for equal rights with republics, heard from territories, regions and autonomous republics within the Russian Federation sounded fair.

They will now learn whether those demands were justified, believes Yarov. There's an opinion that the Federation Treaty must be improved, for example, to work out mechanisms relating to joint powers between the Federation's constituent parts and the federal authorities. The problems posed by the initiators of the creation of a Ural Republic seem to be resolved in such documents, believes Yarov.

Unfortunately, after taking the first step they decided to go further, no matter how their moves may be received by their neighbors, he said. Yuriy Yarov said that the change in the status of the Sverdlovsk Region (now the Ural Republic—INTERFAX) should have been agreed upon with all members of the Federation. Yarov is sure that the Russian government and the administration of the Ural Republic will be able to reach mutual understanding through mutual concessions and will succeed in solving the problem in a civilized way.

Yuriy Yarov believes that the Ural Republic must reinstate the status of the Sverdlovsk Region.

Sverdlovsk Official Dismisses Chernomyrdin's Remarks

LD0211195393 Moscow INTERFAX in English 1736 GMT 2 Nov 93

[Text] Chairman of the Sverdlovsk Regional Council Anatoliy Grebenkin called the statement of Russian Prime Minister Viktor Chernomyrdin on November 1 on the occasion of the proclamation of the republic on the territory of the Ural region as "irresponsible phrase and an uncautious and ungrounded statement." In his words, there have been no official decisions by the Russian president pertaining to the Ural Republic's creation.

In particular, Chernomyrdin said: "There is no such republic (Ural republic - INTERFAX) for me and we shall have no contact with it." "I know the president's point of view on this problem," he added. "There will be no Ural republic."

In his interview on Tuesday head of the regional council declared that the authorities of the Ural Republic were ready for a compromise with the federal powers, including suspension of decisions on adoption of the Ural Republic's Constitution until the Federal Assembly solves this issue." [no opening quotation marks as received]

Grebenkin explained that, in his letter to the authorities of the Sverdlovsk region, Sergey Filatov, the head of the presidential staff, called not to make hasty moves and, after the elections to the Federal Assembly, to introduce an amendment to the new Constitution on transformation of the Sverdlovsk region into the Ural Republic as a draft of federal constitutional decree.

According to Grebenkin, decisions of the Sverdlovsk region will be legitimized when Russia's new Constitution recognizes the Ural republic. He expressed hope for "good will of the president and those people who will tell him that it is necessary to support those who try to make a breakthrough in the state organization," [punctuation as received]

St. Petersburg's Sobchak Wants City Council Dissolved

LD0211194393 Moscow INTERFAX in English 1736 GMT 2 Nov 93

[Text] Mayor of St. Petersburg Anatoliy Sobchak in a directive on Tuesday [2 November] proposed that the city council hold a special session to wind up its activity and dissolve as part of local legislative reform in the interim period. He says the measure follows a refusal by senior council officials to abide by President Yeltsin's decree on federal and local legislative reform. He accused the inner council of continuing to meddle in government management which is outside its authority.

Council Chairman Aleksandr Belyaev on Tuesday described the measure as perfectly legitimate. He also spoke of calling a session on October 16 to discuss the dissolution issue as the main item on the agenda. In his view, the best option is to adopt a resolution to disband the council and call a new election, but the deputies must stay put until then.

Belyaev also announced wanting to stand as an independent in next month's elections to the Federal Assembly. "The deputy must represent regional rather than political interests of federal parties and movements.

No. Ossetian Politicians Brace for Presidential Race

MK0211132093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Nov 93 p 3

[Vasiliy Boroyev report under the "North Ossetia" rubric: "Will There Be a President in Vladikavkaz? Election Campaign Has Effectively Started"]

[Text] For nearly two years already the public of Vladikavkaz has been debating with varying degrees of animation the introduction of a presidency in North Ossetia. Among factors pushing toward the unity of command is the wish by some part of the politicized establishment "not to lag behind" their neighbors who look more consolidated and, most important, to follow Moscow's suit.

A poll just conducted among the republic's citizens shows that those who would like to have their own president exceeded 40 percent and outnumbered the skeptics two to one. Within a year, the supporters of the presidency doubled their numbers.

Vladikavkaz has traditionally trailed in the wake of the main trends of Moscow's policy. Owing to the latter's unpredictability, however, it was sometimes late in performing the maneuvers. The situation recently has changed, but some "lagging behind" is still felt. This can be seen in the distribution of powers. If in the center the levers of economic and political authority have been effectively concentrated in the hands of one person, in Ossetia the separation of powers still holds. The republic's political leadership, including the Supreme Soviet, which is to cease its activity on 27 March of next year, is not in full control over the financial and economic situation. This suits the "new business community" perfectly well, although their positions are fairly weak. As for directors of state-owned enterprises, they are no longer interested in uncertainty.

There is one more reason necessitating a reform of the state government system. The "postponed" factor of South Ossetia may reemerge and drastically change the current situation. Last summer, the Second Congress of the Ossetian People decided to hold a referendum on merging the two Ossetias. The general uncertainty with regard to the situation in Georgia, Russian-Georgian, and Ossetian-Georgian relations, and also the catastrophic economic situation in South Ossetia may prompt drastic measures that were set forth in the Concept of the Social-Economic and Cultural Integration Between North and South Ossetia, which was adopted last March.

Caucasus experience shows that any innovative steps tend to be closely linked not only with political organizations, but rather with the struggle among various informal structures and their leaders. At present, current Supreme Soviet Chairman Akhsarbek Galazov appears to be in the strongest position. Arguments in his favor include his authority among most middle-aged people and senior citizens, some part of the "land" intelligentsia and residents of rural areas, and his good relations with the federal authorities and the Russian president. Council of Ministers Chairman Sergey Khetagurov, however, has his trump cards, too—he has the bulk of the business community, including entrepreneurs, behind him. An energetic politician with his own original concept, Sergey Tabolov, who had realistic chances of success, died tragically a month ago in a car crash under not very clear circumstances.

It is also not yet certain whether Aleksandr Dzasokhov, who has already headed the republic, will join the "presidential race." At any rate, all the contestants will vie for his backing. If Dzasokhov decides to run, however, he will be able to overtake his rivals on his own. So far, he is intent on running for the State Duma, and the results of the vote on 12 December for the new Russian parliament will, to all appearances, determine his further plans.

No. Ossetia Removes 'Soviet,' 'Socialist' From Name

LD0211151193 Moscow ITAR-TASS in English 1237 GMT 2 Nov 93

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, November 2 (TASS)—The Russian Republic of North Ossetia in Transcaucasia is going to delete the words "Soviet and Socialist" from its official name and be called simply the Republic of North Ossetia, according to a decision adopted Tuesday by the republican commission on reforming the bodies of authority. The decision is yet to be approved by parliament which is to convene early in November.

North Ossetia is one of the three Russian entities which retained the obsolete words in their names after the collapse of the former Soviet Union. The two others are the Daghestani and the Mordovian Soviet Socialist Republics.

Troops Ordered To Destroy Ossetian, Ingush Gangs

PM0211174193 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 1

[Correspondent Nikolay Gritchin report: "Russian Troops Ordered To Destroy Armed Gangs"]

[Text] Vladikavkaz—Russian military subunits stationed in the state of emergency zone on the territories of North Ossetia and Ingushetia are no longer committed to tactics of passive neutrality. They have been given the order to destroy the bandit formations which reject the republic authorities.

This conclusion stems from the speech made to the Second Congress of the Peoples of North Ossetia by V. Lozovoy, head of the provisional administration in the state of emergency area. In response to your correspondent's question, Vladimir Demyanovich reported that the elimination of the gangs was already in progress.

The presence in the state of emergency area of armed groupings which recognize no authority other than their own commanders has jeopardized the withdrawal from there of the self-defense battalions legalized in North Ossetia and Ingushetia, as both sides are afraid of being defenseless in the face of armed bandits. The gangs are responsible for dozens of dead civilians of the republic and Russian servicemen since the start of the year. The peacemaking forces' action in clearing the region of illegal groupings is to put an end to the senseless casualties and ensure its demilitarization, leaving, apart from the Russian military, only militia subunits with peacetime manning levels.

The gangs will scarcely be the final obstacle to peace and accord between Ossetians and Ingush. The Congress of the Peoples of North Ossetia, held on the eve of the anniversary of the bloody tragedy which occurred here, has graphically confirmed all the difficulty of the situation. The main conclusion is that too much hatred has built up in people's hearts.

Interior Minister Questions Role in Ossetia-Ingush

LD0211193493 Moscow Ostankino Television First Channel Network in Russian 1500 GMT 2 Nov 93

[Report over video by unidentified correspondent; from the "Novosti" newscast]

[Text] Exactly one year ago, a state of emergency was announced in North Ossetia and Ingushetia by decree of the president of Russia in connection with mass disorder and interethnic conflicts accompanied by the use of force, weapons, and combat vehicles. However, Russian Interior Minister Viktor Yerin said that practice has demonstrated the inadvisability of having this regime in effect for such a long period and of having additional law and order forces in the hot spots. After all, the main burden of stabilizing the situation falls on Russian servicemen; their main task being to halt the conflict and stop the bloodshed.

So far the situation in Ingushetia remains very grave: The refugee situation is catastrophic, with more than 60,000 at present in the republic. In the words of Viktor Agapov, vice president of Ingushetia, the situation today is a tragedy which has befallen a people needed by no one. Not a single working plan for the republic signed by the leadership of Russia is being implemented, and in such circumstances one can expect any kind of decision, including a possible withdrawal from Russia, from the emergency Congress of the Ingush People, which is effectively carrying out the role of the Ingush parliament. [video shows vehicle at checkpoint, tank crew, convoy in mountain pass, soldiers on parade, scenes in village, damaged buildings]

Chechen Border Violations by Russians 'More Frequent'

LD0211194793 Moscow INTERFAX in English 1736 GMT 2 Nov 93

[Text] One of the military advisers of President Johar Dudayev described concern by the republic's foreign department regarding possible intrusion of Russian forces onto Chechnya's territory as quite grounded. He told INTERFAX that about 40 units of armored vehicles had accumulated on the border of Ingushetia's Malgobek region alone. At the same time the adviser, who preferred to remain anonymous, indicated that cases of the Chechen border violation on the part of the Russian forces have become more frequent.

On Monday [1 November] Chechnya's foreign ministry voiced an address appealing "to prevent Russia's aggression against the suffering Chechen people." The address asserted that a secret sitting of Russia's Security Council had considered an issue on military intrusion into Chechnya and at present Russian detachments stationed around the republic's borders are being brought into a higher state of alert.

Armed Clashes Lead to Curfew in Groznyy

LD0311013693 Moscow Radio Rossii Network in Russian 0100 GMT 3 Nov 93

[Text] Armed detachments of opponents of General Dzokhar Dudayev are concentrating in the area of Vedeno, near Groznyy, the ANI agency reports, quoting sources in Chechen opposition circles. The opposition has armored vehicles and a large quantity of firearms. They have made contact with opponents of Dudayev in Nadterechnyy and Urus-Martanovskiy Rayons. Because of the possibility of armed clashes between supporters and opponents of Dudayev, a curfew has been introduced in Groznyy, ANI reports.

Tatarstan Will Not Violate Federation's 'Integrity'

PM0311112193 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 2

[Boris Bronshteyn report: "President of Tatarstan Defends Principles of Sovereignty"]

[Text] Kazan—If the concept of the sovereignty of republics is excluded from the Russian Constitution, then the inhabitants of Tatarstan are hardly going to be participating in the referendum on its adoption, President Mintimer Shaymiyev of Tatarstan stated in an interview with the TATAR-INFORM agency.

The republic's declaration of state sovereignty has been declared by the people and we do not intend to go back on it one jot, he said. In addition the president of Tatarstan noted: All claims that sovereignty virtually opens the path to secession from Russia are no more than intrigue, because no one intends to violate the integrity of the Russian Federation.

Yeltsin Decree Evokes Mixed Response in Tatarstan

LD0211192593 Moscow INTERFAX in English 1452 GMT 2 Nov 93

[Text] Prime Minister of Tatarstan Mukhammat Sabirov says that President Yeltsin's recent decree on tough sanctions against regions which fail to pay federal taxes is well understood.

However, the fact that it was adopted without any consultations on the ground, is a government blunder and is therefore unacceptable, he said.

Sabirov said the finance ministers of Tatarstan and the Russian Federation after talks a month ago had reached agreement on budgetary account-settling for this year. The problems which seemed to have been resolved have resurfaced again, he said.

If Tatarstan fails to defend its own end of the bargain, it will have to state its own position on the issue, the Tatar premier said. The republic's government has already drawn up an appropriate decree by the president of

Chernomyrdin Increases Tatarstan's Oil Export Quota

LD3010154793 Moscow INTERFAX in English 1357 GMT 30 Oct 93

[Text] Prime Minister Chernomyrdin has authorized to entitle Tatarstan to export in 1993-1994 tax free an additional amount of 500,000 tons of oil and spend the currency revenues on building a medical center, whose construction is estimated at $ 20 Mn [million].

Tatarstan already has an export quota of 8 Mn tons.

Moscow Pays Debt to Novosibirsk Oblast Grain Farmers

PM0211124393 Moscow ROSSIYSKAYA GAZETA in Russian 30 Oct 93 First Edition p 3

[Unattributed, untitled report]

[Text] The state has paid its debts to agricultural enterprises in Novosibirsk Oblast.

Novosibirsk Oblast has received 12 billion rubles from the central budget to clear the debt owed to agricultural enterprises for the grain they have delivered. That was the result of the trip to Moscow by Ivan Indinok, acting head of the oblast administration. It was reported at the oblast administration press center that Novosibirsk Oblast has been included as one of the 13 Russian territories lagging behind in the grain harvest to which the government has promised financial support. The total amount of grain threshed in Novosibirsk Oblast will be around 2.2 million tonnes, with a yield of 12.5 quintals per hectare. It is unlikely that more than 500,000 tonnes of grain will procured for regional and federal stocks. For this reason 300-350,000 tonnes of grain for food purposes will have to be bought from outside the oblast.

Komi Leader Rejects Moscow's Economic Policies

LD0211213793 Moscow Russian Television Network in Russian 2000 GMT 2 Nov 93

[From the "Vesti" newscast]

[Text] Yuriy Spiridonov, head of the Republic of Komi, went live on Radio Rossii today to make a sharp statement. In his words, the north does not need handouts from the federal authorities in the form of one-time subsidies. The north can earn money for itself and, therefore, for Russia. For this purpose fundamentally new taxation mechanisms are needed together with the creation of a competitive environment in the Russian economy where the future of production will be decided by the immediate producer and not by a huge army of bureaucrats.

In Yuriy Spiridonov's view, today's bureaucrats do not see the country beyond the Sadovoye beltway in Moscow.

Kabardino President Signs Edict on New Parliament

MK0211130093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Nov p 3

[Igor Terekhov report under the "Kabardino-Balkaria" rubric: "Edict on New Parliament Issued. Elections To Take Place 12 December"]

[Text] After the Kabardin-Balkar Republic Supreme Soviet session failed to pass the draft of a future parliament, elaborated by a working group, the powers to reform it were transferred to Kabardino-Balkaria's president. Valeriy Kokov signed an edict on reforming the republic's supreme representative organ of power and put into action the statutes on parliament and the elections to it. The new parliament will consist of two chambers each of 36 deputies elected for four years.

Here are some of the amendments made in the original text by executive structures. Instead of a professional parliament a parliament consisting of two chambers—the Council of the Republic (State Duma) and the Council of Representatives (Chamber of Representatives)—shall be formed. Notably, if the Council of the Republic is to work on a permanent basis, the Council of Representatives deputies shall combine lawmaking with working in their main specialities without any remuneration for combining both duties.

Also of note is the fact that the position of parliament chairman is not provided for. Joint sessions of both chambers will be steered by the chairmen of both chambers.

The question of interethnic relations have been placed under the jurisdiction of a special parliamentary committee to be formed by deputies of the Kabardin, Balkar, Russian, (and other) nationalities on a parity basis. To enable the Committee for Interethnic Relations to go into any issue, it is necessary to secure two-thirds the votes of deputies from each ethnic group. The original version of the working group's draft thought it would suffice to secure an application from two-thirds of the deputies of any ethnic group.

Some of the weak points of the current Kabardin-Balkar Republic Supreme Soviet have been automatically incorporated into the new parliament. For example, its desire to control courts of law. NEZAVISIMAYA GAZETA has repeatedly written about the conflict between Kabardino-Balkaria's legislative and judicial branches. During its last session on 30 September, the Russian Federation Constitutional Court looked into the progress of judicial reform in Kabardino-Balkaria and passed a decree recognizing local lawmaking practices as being out of keeping with the Russian Federation Constitution and the Russian law on the status of judges. The new "Status of Parliament of the Kabardin-Balkar Republic" nevertheless empowers the Council of the Republic to elect Supreme Soviet judges and judges of regional (town) courts.

Details of Yakutia's External Trade Figures

LD0111190593 Moscow INTERFAX in English 1741 GMT 1 Nov 93

[Text] The external trade of the Republic of Saha-Yakutia totalled 191.2 million [currency not specified] in January through September, gold and diamonds excluded. The surplus of trade with 34 countries of the world has reached 20.8 million dollars, Yakutia's External Ties Minister Vitaliy Artamonov has said.

The industrialized countries account for 93 percent of Yakutia's external trade turnover. Diamonds are the main export item, more than 80 percent of the total volume.

Artamonov said that next year Yakutia will continue the policy of liberalizing foreign economic activity. For instance, it will reduce the number of raw materials, exported under fixed quotas, such as coal and timber.

At the same time a limited number of exporters and the licensing of foreign trade will remain, as well as the non-tariff regulation of export supplies of non ferrous metals and diamonds.

About relations with Moscow Yakutia's External Ties Minister said that the government of his republic will continue to look for the optimum combination of its interests with those of the center.

Cherkess Association Supports Shakhray's Party

MK0211135093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Nov 93 p 3

[Unattributed NEGA report in the "North Caucasus" column]

[Text] An extended session of the International Cherkess Association (ICA) in Cherkessk accepted the resignation of Russian Justice Minister Yuriy Kalmykov as ICA president.

The ICA is a public organization uniting representatives of the Adyg, Kabardin, Cherkess, Abkhaz, Abazin, Shapsug, and other related peoples of the Northern Caucasus and also nearly 3 million people in the diaspora. Since the ICA's founding Kalmykov has been its president; he explained his resignation in a letter to the ICA Executive Committee by the impossibility of combining a state post with leadership of a public organization. Philology Professor Abubachir Skhalyakho from Adygeya was elected the ICA's new president.

After discussing the political situation in Russia, in Adyg (Cherkess) enclaves, and also in Abkhazia, the ICA Executive Committee stated the need to render Abkhazia assistance in rehabilitating its national economy, which has been devastated by the war. The Executive Committee's session also discussed the return of Cherkess repatriates to their historical motherland. It was noted in this context that whereas on the republican level these questions were being somehow addressed (Kabardino-Balkaria, Adygeya, and Karachayevo-Cherkessia), that was not happening on the federal level.

With respect to the upcoming elections to the Russian Federation Federal Assembly, the ICA Executive Committee accepted Yuriy Kalmykov's proposal to support the Party of Russian Unity and Accord because, as it was stated, Shakhray's party is the sole political force that takes the interests of Russia's regions into account.

International Affairs

Further Warhead Withdrawal Halted Pending Compensation

LD0211124393 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 2 Nov 93

[Text] None of the nuclear warheads from the deactivated SS-19 rockets have been withdrawn and they will not be withdrawn until the issue of fair compensation for tactical weapons removed last year is resolved between Ukraine and Russia or among Ukraine, Russia, and the United States. This was stated today in an interview for the newspaper HOLOS UKRAIYNYY by Borys Tarasyuk, chairman of the National Committee for Questions of Disarmament. He added that obviously this will not be until the Supreme Council adopts the appropriate decisions. In general this relates to any class of rockets.

Foreign Ministry Holds Briefing on Disarmament

Dismantling at Manufacture Site Urged

LD0311094893 Kiev UNIAR in Ukrainian 0800 GMT 3 Nov 93

[Text] Kiev, 2 Nov—The regular briefing at the Ministry of Foreign Affairs was devoted to topical issues of Ukraine's foreign policy. Volodymyr Byelashov, deputy head of the directorate of control over armaments and disarmament, stated that Ukraine is ready to pay for the dismantlement of nuclear weapons [yaderni boyezaryady] and the processing of the removed uranium and plutonium at those enterprises, where they were produced, on condition that all of the end nuclear material (including that removed from the warheads of tactical missiles) will be returned in the form of fuel for atomic electric power stations or compensation for [its] sale to third countries. Mr. Byelashov noted that only a fair resolution of this problem will make it possible to implement the agreements signed in Massandra, in as far as the Russian side is refusing to extend the term "nuclear weapon" [yadernyy boyezaryad] to tactical nuclear weapons, withdrawn to Russia. Mr. Byelashov also emphasized that Ukraine is striving, while remaining within the limits established by the treaty of general limits [Dohovir zahalnykh limitiv], to independently determine the distribution of the armed forces on its territory.

Borys Hudyma, head of the directorate of international organizations, summing up the general debate at the 48th session of the UN General Assembly, reported that its main problems had been issues of settling interethnic conflicts following the end of the "cold war" and searching for ways of increasing the efficiency of "preventive diplomacy," in particular the place and role of the UN in conducting peacekeeping operations.

Request for Compensation Noted

LD0311111093 Kiev UNIAR in Ukrainian 0800 GMT 3 Nov 93

[Text] Kiev, 2 Nov—At the regular briefing at the Ministry of Foreign Affairs Ron Popeski, chief of the REUTER correspondents center in Ukraine, disseminated the information that Mr. Ivan Plyushch, chairman of the Supreme Council, had demanded $5 billion compensation for 170 Ukrainian strategic missiles during his meeting with Warren Christopher. Borys Hudyma, a Ministry of Foreign Affairs employee, said to this that, first, Plyushch had named this figure in relation to the value of the uranium, and second, that this is subject to finalization.

Russia Hampering Resolution

LD0311112293 Kiev UNIAN in Ukrainian 0946 GMT 3 Nov 93

[Text] Kiev [dateline as received]—On 2 November at a briefing of the Ministry of Foreign Affairs, Oleksandr Potyekhin, head of the USA and Canada department of the Foreign Ministry's second territorial directorate, told journalists that Ukraine has not changed its plans regarding the renunciation of nuclear weapons, but that a concrete resolution of the problem is being hampered by Russia, which claims exclusive rights with regard to maintaining peace in the former USSR. "Ukraine has grounds to be concerned about its security," noted Oleksandr Potyekhin. "This is why the issue of compensation for weapons that have been withdrawn is of primary importance to us and appropriate security guarantees from other states is of secondary importance." In the opinion of Volodymyr Balashov, deputy head of the Foreign Ministry's directorate for control, armament, and disarmament, because Russia refuses to extend the meaning of the term "nuclear warhead" to tactical nuclear weapons that have already been withdrawn to Russia, Ukraine will continue to insist on its right of ownership and will fulfill the agreement with regard to nuclear weapons signed in Massandra, only on the condition that it receives compensation for tactical weapons. According to information from Volodymyr Balashov, not a single legal document that would regulate relations between Ukraine and Russian on issues of tactical weapons has yet been elaborated.

Border Guard Tightens Controls Near Russia, Belarus

WS0211151993 Kiev Ukrayinske Radio First Program Network in Ukrainian 1100 GMT 2 Nov 93

[Text] Colonel General Valeriy Volenko, chief commander of the Border Guard, has ordered additional measures for tightening control at the checkpoints on the border with Russia and Belarus. This is connected with widespread smuggling activities. Particularly, it refers to the illegal export of valuable raw materials, as well as industrial products and food. Last week on the Belarusian and Russian borders, border troops seized goods totaling (?272) billion karbovanetses. This information was issued today by the Ukraine Border Guard press service.

Vice Premier Holds Trade Talks in Hungary

LD0211231193 Kiev Radio Ukraine World Service in English 2200 GMT 2 Nov 93

[Text] As the Ukrainian Foreign Ministry's press service reported on Tuesday 2 November, Ukraine's vice premier, Vasyl Yevtukhov, met on the first day of his official visit to Budapest with Hungarian Minister for International Economic Relations Kadar.

The meeting was attended by Ukraine's extraordinary and plenipotentiary ambassador to Hungary, Tkach.

The Ukrainian vice premier also met with the local business community's representatives to discuss in detail Ukrainian-Hungarian economic cooperation, in particular Ukrainian merchandise and electric power supplies to Hungary in exchange of medicines, petroleum products, buses and other products.

Vasyl Yevtukhov signed an agreement on cooperation between the two countries' entrepreneur associations.

The Ukrainian vice premier attended an international conference of industrialists and entrepreneurs in Budapest and made a speech before its participants.

Cooperation Accord Signed With Slovak Defense Minister

AU0211202993 Prague CTK in English 1540 GMT 28 Oct 93

[Excerpts] Kiev, Oct 28 (CTK)—An agreement on military cooperation between Ukraine and the Slovak Republic was signed here today by Ukrainian Defense Minister Vitaliy Radetskiy and his Slovak counterpart Imrich Andrejcak, who began an official two-day visit today.

The agreement provides for cooperation in security questions, in training of military cadres and army command, and in social programs.

A spokesman for the Ukrainian Ministry of Defense told CTK that ensuring a material and technical base for the two countries' armed forces was discussed, among other things, during today's meeting between Radetskiy and Andrejcak. Radetskiy acquainted his Slovak colleague with Ukraine's new military doctrine and with some aspects of Ukrainian military policies. Andrejcak informed Radetskiy on problems and goals of the Slovak Army. [passage omitted]

Security in Central and Eastern Europe was the main topic of today's talks between Slovak Defense Minister Imrich Andrejcak and Ukrainian President Leonid Kravchuk. Andrejcak, who started a two-day visit to this former Soviet republic today, stressed the importance of an agreement on military cooperation between the Slovak Republic and Ukraine which was signed today and said that both countries have great opportunities for expanding their contacts, including military ones. He pointed out the importance of political stability in Eastern and Central European countries and the necessity of a peaceful settlement of the conflicts in the countries of the former Soviet bloc.

During a meeting with Ukrainian Foreign Minister Anatoliy Zlenko both politicians stressed above all common goals in the building of new societal systems. For Slovakia it is very advantageous to have a friend on its eastern border, Andrejcak said. He voiced the hope that Ukraine will help Slovakia with its means and forces in the event of necessity.

Andrejcak said that the agreement which he signed today with his Ukrainian counterpart Vitaliy Radetskiy was not a military pact but an accord on military cooperation. Slovakia has agreed on similar cooperation with all neighboring countries, said Andrejcak.

The Ukrainian defense minister stressed during today's talks that a new military and political situation in Central Europe testifies that old treaties could not guarantee the security of the states in this region. These treaties provided for collective defense from an external enemy, Radetskiy said, adding that the current Ukrainian-Slovak agreement was the continuation of a bilateral treaty which was signed in Kiev in June during Slovak President Michal Kovac's visit to Ukraine.

The meeting between the Ukrainian and Slovak defense ministers represents the first contact of the two countries in the military sphere.

Supreme Council Delegation Visits Israel

WS0211151193 Kiev Ukrayinske Radio First Program Network in Ukrainian 1100 GMT 2 Nov 93

[Text] A Ukrainian Supreme Council delegation headed by Supreme Council Chairman Ivan Plyushch is currently on an official visit to Israel. The Ukrainian legislators have been received by Israeli Prime Minister Yitzhaq Rabin. The Supreme Council chairman and the head of the Israeli Government briefed one another on the political and economic situations in their countries and exchanged opinions on ways of developing a democratic society under the circumstances that have developed in Israel and Ukraine. The prime minister paid special attention to the course of privatization in our country. Plyushch spoke about the national, religious, and cultural life of the Jewish minority in Ukraine and touched upon preparations for an economic-trade agreement between our countries. Ivan Plyushch expressed his great satisfaction with the negotiations on an Israeli-Palestinian peace agreement and said that, in his opinion, new elements of a stabilizing and compromising nature had appeared in the complex situation in the Middle East.

The delegation also visited the Israeli legislature and held talks with its chairman, Shevah Weiss. Ivan Plyushch delivered a speech before the Knesset, in which he said: We consider the development of relations between Ukraine and Israel one of our top foreign policy priorities. This is not only based on the fact that many Ukrainian refugees live in Israel. First of all, our interest in Israel is generated by the geographical proximity of the Black Sea and Mediterranean regions, as well as the potential grounds for developing economic, scientific-technical, and cultural cooperation. The head of the Supreme Council arrived in the Middle Eastern state with a proposal that Israel join the Black Sea Economic Cooperation Zone, initially as an associate member. We are interested, said Ivan Plyushch, in Israel's unique experience in developing a state, in particular, its experience in the functioning of a democratic-parliamentary system, as well as organizing forms of local administration.

Nowadays in many regions of the world, he said, new problems and conflicts emerge, and that demands that the international community make considerable efforts to maintain peace, stability, and national security. In this regard, we consider as very important Ukrainian President Leonid Kravchuk's proposal to convene a global international peace conference at the highest level, during the celebration of the UN's 50th anniversary, to discuss the realities of the post-confrontation period and to correct the existing structures of security and cooperation.

The visit of the Ukrainian legislative delegation comes at the same time as municipal elections in Israel. Our legislators will have an opportunity to familiarize themselves with the election preparations and to observe the actual voting process.

National Affairs

President Issues Decree on Stabilizing Exchange Rate

LD0311114393 Kiev UNIAR in Ukrainian 0800 GMT 3 Nov 93

[Text] Kiev, 2 Nov—The president of Ukraine has issued a decree on additional measures to improve currency regulation. It is up to the Cabinet of Ministers of Ukraine and the National Bank to take a number of measures with the aim of facilitating the development of the currency market in Ukraine and the stabilization of the exchange rate of the Ukrainian national currency. It is recommended that the National Bank, with the agreement of the Cabinet of Ministers of Ukraine, establish order in the regulation of the official currency exchange rate of the national monetary unit within a one week.

Budget Deficit Reaches 10 Trillion Karbovanets

LD0211204093 Moscow ITAR-TASS in English 1846 GMT 2 NOv 93

[By UKRINFORM correspondent Sergey Balykov for TASS]

[Text] Kiev November 2 TASS—The Ukrainian budget deficit is ten trillion karbovanets, Ukrainian Vice-Premier Valeriy Shmarov told the first All-Ukrainian Congress of Servicemen and Business Community that opened here today. In this connection, it will not be the matter of state protection of servicemen but of their self-protection, he said.

One cannot expect quick improvement of the Ukrainian economic situation. The stabilization will take five or seven years and a lot of money. That is why, the vice-premier suggested that servicemen look for unusual ways out, for instance, to sell military property or rent it to civilian organizations, as well as to establish closer contacts with the business community. Banks and various funds should be involved in the problem solution.

The defence ministry's housing line includes over 70,000 servicemen who do not have an apartment and 155,000 servicemen who want to improve their living conditions. A total of 50,000 Ukrainian servicemen will be transferred to the reserve before the end of this year, and by 1995 their number will double.

Kravchuk, Parliament Clash Over Plan for Bond Issue

PM0311101993 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition pp 1, 2

[Report by UNIAN's Nataliya Zinets: "Scandal in Ukraine Over Bonds Worth $25 Million Each"]

[Text] Kiev—A scandal has erupted in Ukraine over the president's edict "On the Issue of Ukrainian National Resources State Commodity Bonds" and the statute supplementing it, which was not intended for publication.

In these documents the Finance Ministry is instructed to organize the issue of 400 bonds, each with a face value of $25 million, redeemable five years from the date of issue. It is envisaged that the holders of these securities will receive 7 percent annual interest free of tax. According to Paragraph 8 of the statute: "The bonds are backed up by all the movable and immovable property in the statewide ownership of Ukraine (land, buildings, structures, equipment, and other material assets, including products and commodities intended for sale) apart from objects of national, cultural, and historical value."

A group of people's deputies has accused Leonid Kravchuk of violating the constitution, under which the Supreme Council alone is vested with the right of managing all state property. The president's entourage ascribes his "anticonstitutional" move to a desire to attract appreciable investment to Ukraine, which has not had the special attention of foreign capital lavished on it.

Deputy Economy Minister L. Minin considers that you cannot invoke the Constitution and the Law on Ownership adopted during the time of the USSR. If you carry out economic transformations, he said, you are bound to come into conflict with laws adopted in different political and economic conditions. But the scandal generated by the deputies is more political in aim—the deputies are involved in the political campaign.

Will the state be able to redeem the bonds worth a total of $10 billion over the five years or, even earlier, find $3.5 billion to pay the interest? After all, last year Ukraine's foreign economic activity earned a mere $165 million, while the republic's hard currency fund does not possess even $1 billion (Leonid Kravchuk complained about this after his meeting with Russian President Boris Yeltsin in Massandra).

"The bonds will not be able to compensate for the absence of reforms," Doctor of Economic Sciences Professor V. Chernyak contends. He is sure that Western investors will not start investing considerable capital into a country which has an unstable economy and constantly changing laws. True, some people pin their hopes on the East, the Persian shaykhs [as published], for example, but, in the opinion of observers, a scenario whereby the home-grown mafia becomes the main "investor" is most likely. According to preliminary estimates, at least $5 billion has ended up in Ukrainian smart operators' foreign bank accounts.

The parliamentary commission "on questions of economic reform and management of the national economy" is preparing a draft Supreme Council decree vetoing the aforementioned presidential edict. The Supreme Council will most likely suspend the operation of Kravchuk's decree.

Communists Mark October Revolution Anniversary

LD0211153193 Kiev UNIAR in Ukrainian 2300 GMT 1 Nov 93

[Text] Kiev, 1 Nov—The Presidium of the Political Council of Kiev oblast and city committees of Ukraine's Socialist and Communist parties held a ceremonial meeting to mark the 76th anniversary of the Great October Socialist Revolution. The October Revolution was an event of historic significance for the entire world, said its chairman. Delegates from all oblasts, people's deputies, and veterans of the civil [1918-21] and the Great Patriotic [Second World] wars came to celebrate it.

Speakers noted that "certain forces want to smear the red color of ripe guelder-rose with a blue-and-yellow blot. The Great October Socialist Revolution has always been and will stay in the hearts of the working people."

First Secretary of Ukraine's Communist Party Central Committee Petro Symonenko said the Communist Party had resumed its activities shortly before the October revolution anniversary and now has a membership of 120,000. He stressed that Ukraine's Communists see their main task in defending the gains of October and ensuring the preservation of the system of Soviets [councils].

Chairman of the Socialist Party's Political Council Oleksandr Moroz emphasized the need to pay tribute to the 1917 events, saying that neither Lenin nor October needed any defense.

The ceremonial assembly was attended by representatives of the diplomatic corps.

Following a tradition of the past, the meeting ended with all its delegates singing "Internationale."

Civic Forum Says Crimea 'Integral' Part of Ukraine

MK0211112093 Moscow NEZAVISIMAYA GAZETA in Russian 2 Nov 93 p 3

[Unattributed report under the "NEGA Reports" column: "Crimea"]

[Text] The third Congress of the Civic Forum of Crimea has taken place in Simferopol. This movement unites citizens of the peninsula irrespective of their nationality and who, as was stated at the congress, consistently defend their rights. The Civic Forum of Crimea speaks for the inviolability of the existing borders, for the Republic of Crimea as an integral component part of Ukraine.

The congress passed a decision on reforming the movement by granting it the status of a political party. The Civic Union of Crimea considers central to its activities the preservation of civil peace and interethnic accord on the peninsula, and the implementation of democratic changes and market reforms.

The congress looked into the matters of preparation for the elections for the Supreme Soviets of Ukraine and Crimea. An electoral campaign headquarters was set up. Political organizations of a democratic orientation were urged to pool their efforts before the elections for the supreme bodies of Ukraine's and Crimea's legislative power.

There was no unanimity among delegates on the election for president of the Republic of Crimea, and on the very idea of a presidency in the autonomous republic. Vyacheslav Khmelovskiy, Civic Forum of Crimea chairman, told a NEGA correspondent that "whether our movement takes or does not take part in elections for president of the Republic of Crimea will be decided a little later."

Press Center Recounts Weapons Charges Against UNSO

AU0311115993 Kiev HOLOS UKRAYINY in Ukrainian 30 Oct 93 p 6

[Statement by the Press Center of the Security Service and the Main Center for Public Relations at Ukraine's Ministry of Internal Affairs: "UNSO Is Being Smart"]

[Text] HOLOS UKRAYINY carried a statement by the so-called chief command of UNSO [Ukraine's National Self-Defense], in which Ukraine's Security Service and the Ministry of Foreign Affairs are accused of provocations against the aforementioned organization. It was emphasized, in particular, that the law enforcement organs, "unable to prove the 'armed' nature of UNSO," have been placing weapons at the homes of UNSO members in order to make charges against them later. The statement also stressed that Ukraine's Security Service and the Ministry of Internal Affairs have no information "on the availability of any weapons in UNSO's possession."

This statement, in mild terms, does not correspond to reality. For example, in July 1992, the Kodymskyy Rayon Department of Internal Affairs in Odessa Oblast confiscated six hand grenades and munitions for automatic firearms from detained UNSO members P. Filipov, V. Skachko, T. Boyko, and V. Prozherin when they tried to smuggle them to Ukraine from the area of combat actions in the Dniester Region. A criminal case was initiated. The persons listed were not sentenced owing to an amnesty.

In November 1992, organs of the militia confiscated an AKM submachine gun complete with munitions and a hand grenade from UNSO member Yu. Kosyanchuk, resident of the town of Rivne. The Oblast Administration of Internal Affairs initiated a criminal case, and an investigation is under way.

During a search within the framework of a murder case in July 1993, seven bottles of explosive incendiary mixture were confiscated from UNSO member M. Nepochesnyy by the Cherkasy Oblast Administration of Internal Affairs. An investigation is under way.

In August 1993, a "Schmeisser" submachine gun was confiscated from UNSO member O. Holomazov. The search of his apartment was made in connection with the militia's detaining of Kharkiv citizens H. Vorobyov and V. Ruban to whom Holomazov had handed a Shpagin submachine gun the day before. Altogether, in 1992-93, three submachine guns, one revolver, 14 hand grenades, almost 400 cartridges of various calibers, 10 bottles with incendiary mixture, and so on have been confiscated from UNSO members. Thus, the UNSO statement may only be regarded as an attempt on the part of the leaders of that illegal militarized organization to take preventive measures to incite public opinion against the actions of the law enforcement organs, which are fulfilling their official duties on protecting the constitutional system from encroachments on the part of extremist militarized formations.

Law Enforcement Organs Appeal to Public Over Sect

AU0311073393 Kiev URYADOVYY KURYER in Ukrainian 30 Oct 93 p 3

[Text] The Press Service of the Ministry of Internal Affairs, Security Service, Procurator General's Office, and State Committee for the Defense of Ukraine's State Border has been authorized to disseminate the appeal by the law enforcement organs to citizens of Ukraine:

Esteemed fellow citizens,

The personnel of Ukraine's law enforcement organs is extremely concerned about the further fate of some of our young people, who have recklessly succumbed to a false religious doctrine and have been ensnared by the so-called "Great White Brotherhood."

What do the ideologists of the eclectic creed "The Great Teaching 'Yusmalos'"—Yuriy Kryvonohov, alias Yuoann Svami, who is wanted by the Ukrainian militia for punishable crimes, and his companion, former Young Communist League Functionary Maryna Tsvyhun, alias Maria Devi Christ, who have proclaimed themselves Father God and Mother God—promise our young people? No more and no less—the end of the world, "God's last holiday on earth" that they are planning for this coming November. The happening that must take place in Kiev will, in accordance with the plan devised by Kryvonohov and Tsvyhun, culminate in actions of mass self-destruction with the apotheosis in the form of the ascension of the "living God—Maria Devi Christ."

Over the quite short period of its existence, the "Great White Brotherhood" has caused much distress and pain to more than one Ukrainian family. Kryvonohov's mystical preachings and his skillful hypnotic influence made a certain negative impression upon teenagers, destroyed the young psyche, and distorted the weak children's souls. That was the beginning of the faulty path to the society created by crooks who have proclaimed themselves the earth's living gods. In the majority of cases, there was no way back for the young people who had been brainwashed and morally crippled. The quagmire of the "White Brotherhood" has swallowed up the majority of the victimized young people for good.

By drawing into their sect mainly underaged boys and girls, Kryvonohov and Tsvyhun, over a very short period of time, mutilated their psyches and drove children and teenagers to the state of fanaticism which, in turn, led them to deny secular life and to renounce their parents, relatives, and friends. At the initiative of the self-proclaimed messiahs, children abandoned the homes of their parents and moved to Kryvonohov's hermit residence where they turned into his slaves, which rather resembled obedient "zombies" ready to blindly obey any commands, including those of a criminal nature, that issue from "Father God and Mother God."

Such sects, the "Great White Brotherhood" in particular, are very dangerous for the nation. Primarily because they spread quickly, taking advantage of our temporary problems, swallow up large numbers of people, infringe upon their individuality, and finally lead them to physical self-destruction. Unfortunately, such precedents are known in the world.

Incidentally, as a rule, all sort of deceits emerge in times of great upheaval on the waves of which individual adventurers are trying to establish their own significance.

The law enforcement organs, realizing the complexity of the situation, assure Ukrainian citizens that they will do everything possible to prevent any illegal actions on the part of the so-called "White Brotherhood" on the territory of our state. It will, however, naturally be difficult for us to oppose obscurantism unless we get support from the general public.

That is why we appeal to all citizens for whom the future of our long-suffering Ukraine is not indifferent.

Let us not allow all sorts of false messiahs to dupe our grandchildren, children, brothers, and sisters! Let us join our efforts and retrieve from the sticky tentacles of the "White Brotherhood" all those who have been deceived and whose lives are in mortal danger. Let us remind you that the activity of the "White Brotherhood," which has not been registered anywhere and predicts the end of the world in the very near future and intimidates us with Doomsday, has been condemned by all religions and by all conscious mankind.

That is why, as the Holy Scripture reads, "beware of false prophets, which come to you in sheep's clothing, but inwardly they are ravening wolves!"

Security Service, Procurator General's Office, and State Committee for the Defense of Ukraine's Border

26 October 1993

Belarus

Kravchanka Describes Results of Talks in UK

WS0211150693 Minsk ZVYAZDA in Belarusian 22 Oct 93 p 1

[Report by Leanid Lakhmanenka]

[Text] At the invitation of the British Government, Belarusian Foreign Minister Petr Kravchanka has visited Great Britain. After returning home, he organized a press conference for Belarusian and foreign journalists. The visit of the Belarusian foreign minister was held for the first time in the history of Belarusian-British bilateral relations.

Kravchanka's visit to the United Kingdom was swamped with numerous talks and meetings. He has held negotiations with British Foreign Secretary Douglas Hurd. The counterparts have signed a joint declaration on further development of political, economic and cultural contacts between the two countries. In fact, this is the first official document in our bilateral relations. Petr Kravchanka has called this document the basis for the further development of relations. The Belarusian foreign minister has also informed that documents outlining cooperation in the sphere of education, culture and science, an agreement on taxation issues, and an agreement on air links between the two countries have already been formulated and will be signed soon. An agreement on trade relations will be signed this November.

Petr Kravchanka highly assessed his talks with the president of the European Bank of Reconstruction and Development, the leaders of the defense ministry, the Secretary of State for Trade and Industry, and the representatives of the British Confederation of Entrepreneurs. According to Kravchanka, British entrepreneurs are interested in possible investments in Belarus and asked questions about the privatization process in the Republic.

At the Francisk Skaryna center, the Belarusian foreign minister met with his compatriots. British Belarusians questioned Petr Kravchanka on current events in the Republic.

Cooperation With European Development Bank Viewed

WS0211132493 Minsk ZVYAZDA in Belarusian 26 Oct 93 p 1

[Report by Larysa Lazar]

[Text] On 22 October, Vyachaslaw Kuznyatsow, first deputy chairman of the Supreme Soviet, met with a delegation of the European Bank of Reconstruction and Development [EBRD].

Martin Nichols, director of the EBRD Belarus branch, spoke about concrete steps in cooperation and assistance made during the last year. Over 50 countries are EBRD stockholders, among them the Belarusian Government that has signed a memorandum on cooperation with the bank management.

As Martin Nichols reported, the bank has implemented 20 projects for technical assistance to Belarus. Another 10 projects are expected to be realized in the future. In addition to technical assistance, the EBRD has earmarked 400 millions ECU for five agricultural, transport, and energy development projects. He emphasized that the total volume of aid to the Republic significantly exceeded the magnitude of aid to other CIS countries, for example to Ukraine. "This shows our confidence in the durability of the conducted reforms and in the efficiency of the government. Relations between EBRD and Belarus are very constructive. The bank has progressed considerably during this year, but it would like to improve its performance," said Mister Nichols.

Following recent negotiations, bank experts plan to conduct a review of the situation in the Republic and set priorities for further cooperation. Martin Nichols is currently examining a document that will be submitted for consideration to the Council of Directors and is expected to be signed as a key Belarus document.

The bank is providing consulting help to the Republic and pays special attention to the development of the private sector. In connection with the continued cooperation, the bank intends to open its Minsk branch in the near future.

The head of the delegation underlined that the EBRD considers certain issues crucial to cooperation with Belarus. He referred to the economic union, government guarantees for loans, as well as the constitutional reform and early elections to the Supreme Soviet.

Vyachaslaw Kuznyatsow thanked the representatives of the EBRD for their vast assistance and expressed hope that this cooperation would successfully continue in the future.

Experts See No Obstacles in Monetary Union With Russia

LD0211210993 Moscow INTERFAX in English 1746 GMT 2 Nov 93

[From the "Presidential Bulletin" feature]

[Text] Experts of the newly-set up Belarussian-Russian commission for monetary and crediting policies have arrived at the conclusion that Belarus' banking legislation does not run counter to Russia's, which simplifies the creation of a monetary union between the two countries.

The commission, led [by] Russian and Belarussian Vice-Premiers Aleksandr Shokhin and Vladimir Zalomay, has come up with a system of indicators to evaluate to what extent the two countries are ready to merge their monetary systems. This includes the volume and dynamics of money supply, the amount of credits allocated to commercial banks, the government and other states, personal savings and bank deposits.

The system also provides for the evaluation of commercial bank reserves and the rate at which the central bank provides them with credits. Other indicators include the evaluation of national and consolidated budget deficits; the share of a budget deficit to be covered by central bank credits; rate of the national currency unit against the U.S. dollar and the Russian ruble at the beginning of each month in 1993; an agreed list of services subject to internal price regulation; average consumer price-inflation rate in 1992- 1993; trade and balance of payment surplus in rubles and U.S. dollars; and basic consumer prices compared to Russia's.

The two sides are to agree and submit those indicators to the bilateral commission by November 5, government sources in Minsk told Interfax.

The two sides are known to have agreed that Belarus' supply of credits in 1992-1993 was less than Russia's which means its national bank is entitled to catch up with its Russian counterpart.

National Bank Forms Group To Aid Ruble Zone Entry

WS0211131893 Minsk ZVYAZDA in Belarusian 22 Oct 93 p 1

[Unattributed report: "Group Schedules Its Work"]

[Text] Within the Belarusian National Bank, a working group dealing with the implementation of agreements "On Unification of Belarusian and Russian Monetary Systems" and "On Practical Measures for the Creation of a New Type of Ruble Zone" has been created. The schedule of the group's work has been publicized by the mass media. The group is headed by Nikolay Kuzmich, first deputy chairman of the National Bank.

As of 22 October, the group has worked out some amendments and supplements to the current banking legislation. They outline the transfer of certain functions of the Belarusian National Bank to the Russian Central Bank. Until 31 December, Belarusian and Russian experts will have to develop guidelines for the creation of a joint gold and hard currency reserve, which will support the stability of a single currency unit. In addition, work on the development of rules regulating the implementation of internal noncash transactions will be completed. Until 1 January 1994, figures on increases in the money supply and the normative requirements of commercial banks will be developed.

Moldova

Snegur, CIS Official Discuss EC Agreement

AU0311071793 Chisinau BASAPRESS in English 1951 GMT 1 Nov 93

[Text] Chisinau, BASAPRESS 1/11/1993—This afternoon, President Snegur met with Ivan Korotchenya, CIS secretary executive. An exchange of opinions was made regarding the agreement on creating the Economic Community. President Snegur said that the package of documents destined to finalize the Community's mechanism could be examined and signed by CIS state heads, states the communique of the Presidency. The discussion concerned basically the political situation in eastern regions of Moldova. Ivan Korotchenya stated that due to the realism Moldova used in peacefully solving the conflict, it will keep its territorial integrity. Korotchenya was informed about the actions undertaken to make all the population participate in elections. During the meeting, President Snegur signed the decision of CIS state heads concerning the admittance of Georgia in CIS, states the quoted source.

Snegur Issues Decree on New Minimum Salary Level

AU0211184193 Chisinau BASAPRESS in English 1951 GMT 1 Nov 93

[Text] Chisinau, BASAPRESS, 1/11/1993—President Snegur issued today a decree on the new level of minimum salary in Moldova, which, since November 1st, 1993, will be 10,000 rubles. For extra payments, however, the old value of 7,500 rubles will be preserved till January 1st, 1993. The value of pensions and scholarships will be also recalculated since November 1st; pensions will have an additional 30 percent increase. The compensations for separate categories of people for the increased prices on bread and dairy products remain unchanged. The income of the Moldovan National Bank will supply the increase of scholarships and salaries for budget employees; for this purpose the bank should introduce 10 billion rubles in budget. Means of the Moldovan Social Fund will be used for increasing the pensions and welfare benefits. The government is to find resources in order to introduce the 12,500 rubles minimum salary since January 1st, 1994. The decree becomes valid immediately after signed.

Snegur Believes Russia Able To Solve Dniester Issue

LD0211212993 Moscow INTERFAX in English 1925 GMT 2 Nov 93

[Text] Moldovan President Mircea Snegur believes that "Russia could say its final word to solve Transdniestria's problems" as it exerts a strong influence on the Tiraspol leaders. In his interview with the radio station Svoboda on Tuesday he expressed conviction that population of

Transdniestria and Gagauzia would participate in the early parliamentary elections in Moldova scheduled for February 27.

The president refused to render his support to this or that political party until their pre-election programs are published. "However, I would render support to those parties and movements which will come out for strengthening of statehood, independence, territorial integrity, and speeding up of economic reform," said Snegur.

Speaking on Moldova's joining the economic union within the CIS, the president underlined that signing of the treaty on the union would create necessary conditions for implementation of economic reforms in the republic.

Deputy Interior Minister Views Dniester Issues

AU0311071993 Chisinau BASAPRESS in English 1951 GMT 1 Nov 93

[Text] Chisinau, BASAPRESS 1/11/1993—The fact that the Dniester region did not respect some conditions of the Snegur-Yeltsin Convention from 21 July, 1992 led to the militarization of the security zone, stated Victor Catana, first deputy minister of interior, co-chairman of the Unified Control Commission at today's press conference. Catana spoke about the storage of armament at some Tighina enterprises. He also mentioned the introduction of supplementary militia troops of Dniester into the security zone and the denied access of military observers to objects in Tighina (Bender). Representatives of the Unified Control Commission from the Moldovan side have made a public declaration. It proposes to haste the talks between Russia and Moldova on the 14th Army withdrawal. Also, it proposes the free access of CSCE missions and other international organizations on the entire Moldovan territory and a new Russian-Moldovan agreement on solving the Dniester conflict by political methods. Catana criticized Russian members of the commission for their passivity. He stated that the commission's information is used by the Moldovan leadership at the talks Chisinau-Moscow and Chisinau-Tiraspol. Speaking about the elections, Deputy Vasile Sova, member of the commission, stated that conditions for elections in the Dniester region could be created due to the presence of foreign observers. Catana stressed that it was welcome to return to the four-state mechanism (Russia-Romania- Ukraine-Moldova) for solving the conflict in Dniester. Members of the commission from the side of Russia, however, oppose this proposal, stated the quoted source.

Treaty on CIS Economic Community Viewed

AU0211184093 Chisinau BASAPRESS in English 1951 GMT 1 Nov 93

[Text] Chisinau, BASAPRESS, 1/11/1993—Last week, the Moldovan Parliamentary Presidium approved by 16 votes pro and 4 con the signing by President Snegur of the Agreement on CIS Constitution and the treaty on creating the CIS economic community. The decision was approved to give a secure character to Moldova's juridical status in CIS. The presidium advised in August the parliament and premier to take part in negotiations on creating the CIS Economic Union. Representatives of Moldovan authorities took part in all meetings and consultations of CIS countries after the CIS creation agreement was signed. President Snegur assumed in public the entire responsibility for the economic reforms to take place in Moldova. The peak leadership decided to pursue its policy ignoring the Parliament which it claimed to be incapable of decisions matching the reality. Moreover, once the date of elections was settled, deputies have to care about them rather than about economic problems. In this situation, the presidency seemed to have no need of approvals and recommendations of the Presidium. On the other hand, the "toleration" by other CIS members, firstly by Russia, of the ambiguous situation of Moldova in CIS reached its critical edge. CIS members want guarantees from Chisinau before the real CIS mechanisms are unleashed. Prime Minister Sangheli said that since the non-ratification of the Alma-Ata [Almaty] documents, Moldova suffered losses of 40 billion rubles. Due to this fact, as well as because the parliament will ratify nothing else, the decision of the Presidium could be presented as a credible guarantee. If the hopes for some economic advantages inside the CIS can be real, political advantages, in particular those linked with Dniester, have few chances. Moldovan members of the Unified Control Commission (UCC) blamed the passivity of Russia in the peaceful solution of the Dniester conflict. This encouraged separatist tendencies of Tiraspol leaders. Russia did not accept unilaterally the idea of revitalization of the four-state mechanism. However, Russia lets Tiraspol use the Snegur-Yeltsin Agreement from July 21st, 1992 in order to proliferate Tiraspol's structures and incorporate new territories. Since December 1992, the role of guarantor of the peaceful solution in Dniester Region, assumed by Russia, was actually neglected, stated UCC members from Chisinau. None of the sides gave explanations for this state of things. The supposition that Russia expects the ratification of CIS documents in Chisinau in order to help restoring Moldova's integrity seem to be far from truth.

Kyrgyzstan

Akayev Issues Decree To Save Democratic Image

LD0111165393 Moscow Ostankino Television First Channel Network in Russian 1500 GMT 1 Nov 93

[From the "Novosti" newscast]

[Text] A decree protecting freedom of speech and glasnost has come into force in Kyrgyzstan. It was signed the other day by the republic's President Askar Akayev.

[Correspondent Vladimir Fedorov] The storming of Ostankino began in Bishkek. That is how people here assess the recent campaign of persecution against your correspondent, justifiably linking it to the concentrated attack by the local authorities against freedom of speech and glasnost.

In August this year, the Kyrgyz Government published a decision which essentially restored censorship and the odious Glavlit [former main directorate for protection of state secrets in the press]. In the absence of a law on state secrets, old proscriptive lists have been taken down from the dusty shelves. For example, it is prohibited to publish information on the movement of prices.

Having acquainted himself with this bulky tomb of secrets, Vice President Felix Kulov admitted to journalists that the document has long threatened to put him personally in the dock. Meanwhile, Bishkek's procurator has given a number of warnings in public to particularly disobedient newspapers who are continuing to disclose secrets about prices, wages and pensions.

For the second time since the incident involving Ostankino's own correspondent, Askar Akayev has been forced to correct the government. In his decree he revoked points of the decision which contradict the Constitution, the republic's law on the press, and which seriously undermine Kyrgyzstan's democratic image. [video shows correspondent speaking to camera, street scenes, newspapers, marketplace, and news conference]

Chyngyshev on Militia's Honesty To Fight Corruption

LD0111172493 Moscow INTERFAX in English 1558 GMT 1 Nov 93

[From the "Presidential Bulletin" feature]

[Text] The Day of the Kyrgyz Militia, marked on November 1, is linked not only with the Interior Ministry forces but also with all Kyrgyz citizens, because economic stabilization depends on the Militia's performance, Kyrgyz Prime Minister Tursunbek Chyngyshev told the ceremonial meeting devoted to the anniversary of the Kyrgyz Militia.

He said that there were forces in Kyrgyzstan which were fighting against corruption and which were capable of restoring order, and that the Militia had honest personnel. To quote Chyngyshev, the Cabinet is strongly opposed to all violations of the law, above all bribery. He urged the Militia to intensify the struggle against corruption, economic crimes and drug business, even though it was underfinanced and experienced a dire shortage of equipment.

Interior Minister Abdybek Sutalinov [name as received] said that judging from the results of the past ten months, the growth of the crime rate had been checked.

IF [INTERFAX] Note: The minister's reports quote the following figures: The clear-up rate has increased by 10 percent compared to 1992, and the number of exposed criminals by 6000. However, 50 percent of all crimes remain unresolved.

Government Abolishes Censorship After One Month

LD0211112593 Moscow ITAR-TASS World Service in Russian 0755 GMT 2 Nov 93

[By ITAR-TASS correspondent Boris Minayev]

[Text] Bishkek, 2 Nov—Censorship lasted only a month in Kyrgyzstan. It became known today that Feliks Kulov, the republican vice president, who is temporarily acting president (the president being on vacation), has signed a decree abolishing censorship which was introduced in August 1993 under the name of the Directorate for the Protection of State Secrets. Newspaper editors were obliged to give specimen copies to this directorate, a fact that evoked protest from journalists and the public.

Financier Dismisses Idea of Ruble Zone as 'Utopia'

LD0211180593 Moscow ITAR-TASS in English 1448 GMT 2 Nov 93

[By ITAR-TASS correspondent Boris Mainayev]

[Text] Bishkek November 2 TASS—One of senior officials of the Kyrgyz national bank Imankadyr Rysaliyev has dismissed the idea of a new rouble zone as utopia.

According to Rysaliyev, in an agreement on the rouble zone the Central Bank of Russia stipulates that republics will be provided with monetary coupons of the 1993 pattern only after they are included in Russia's banking system which envisages complying with a number of tough rules.

"Besides, the rouble zone of a new type has not been created yet. An agreement signed by six countries and its ratification has not changed the situation yet. Everything depends on Russia which puts conditions depending on the political situation. Complex processes are underway in Russia itself and one can only guess who will be in power and what the policy of a new government will be like," Rysaliyev said.

The Kyrgyz official pointed out that compliance with terms stipulated by the agreement will deprive states of the rouble zone of independence in the solution of monetary, credit, taxation, customs and social issues.

Tajikistan

Opposition Shells Russian Border Guard Positions

LD0211102793 Moscow ITAR-TASS in English 0554 GMT 2 Nov 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe November 2 TASS—The situation in individual sectors of the Tajik-Afghan border remains complex, a spokesman at the headquarters of the Russian border troops in Tajikistan told ITAR-TASS.

Within the past 24 hours, Tajik opposition militants, who had infiltrated into one of the border sectors of Shuroabad District at one time, brought down artillery fire from a rear area on a border post of the 12th border picket of the Moskovsky border-guarding detachment.

The border guards returned the fire, neutralising the foe's weapon emplacements. There were no losses among Russian servicemen.

According to governmental military sources, Tajik Defence Ministry units, with the participation of Russian border guards, continue an operation to neutralise Tajik militants who have consolidated their hold on the border environs in the district.

Armed Provocations Continue at Afghan Border

LD0311083993 Moscow ITAR-TASS in English 0717 GMT 3 Nov 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe November 3 TASS—The situation on the Tajik-Afghan border continues to be tense. Minor armed provocations are continuing at some of its sections. During the past 24 hours a frontier guard squad was twice fired at from large-calibre guns off the Afghan territory at the section of the fifth post of the Khorgor Frontier Guard detachment, a spokesman for the press centre of the staff of the Russian frontier guard troops in Tajikistan told ITAR-TASS. The frontier guards did not fire back.

The situation also continues to be tense at other sections of the border. However, it is fully under control, the staff of the frontier guard troops reports.

Measures To Be Taken Against 'Illegal Formations'

AU0311092293 Kiev HOLOS UKRAYINY in Ukrainian 28 Oct 93 p 5

[Unattributed report]

[Text] The most severe measures will be taken against those illegal formations that have not fulfilled the edict by the republic's Supreme Council Presidium and did not surrender their weapons by 25 October, said N. Salikhov, Tajikistan's procurator general. The time for peaceful persuasion is over, he stressed. According to N. Salikhov, this refers to the so-called self-defense detachments made up of the Popular Front's fighters during last year's armed confrontation. Meanwhile, the commander of the group of troops at the Tajik-Afghan border, General Pyankov, stated that Russia will pay one-half of the cost of maintaining these troops, totalling 25,000 persons. The aforementioned troops mainly include Russian servicemen. They are supported by units of the armed forces of Kazakhstan, Tajikistan, Uzbekistan, and Kyrgyzstan. The troops are brought to the Tajik-Afghan border for the period of six months, but this period may be extended if necessary.

Oppositionists Arrested; Arabic Bulletin Launched

PM0111162293 London AL-HAYAH in Arabic 29 Oct 93 p 4

[Ahmad Muwaffaq Zaydan report: "Tajik Opposition Seizes Strategic Villages"]

[Text] Peshawar—Tajik opposition sources yesterday told AL-HAYAH that its forces had seized three strategic villages on the Afghan-Tajik border following bloody battles which continued for days and ended on Wednesday with the government forces' retreat.

These villages are situated 6 km inside the Tajik border. Opposition forces use these areas during their crossing of the border from some of their bases in north Afghanistan into Tajikistan.

The sources said that oppositionists had moved 35 km toward Dushanbe.

Reliable sources have revealed to AL-HAYAH that the authorities have arrested the well-known poet Bazar Sabir and Nuwithan Nafrawn, deputy chairman of the opposition Democratic Party [names as transliterated]. They have also arrested an official in charge of propaganda in the Islamic Revival Party called "Sa'doddin."

A report issued recently by Amnesty International accused government forces of killing 20,000 oppositionists since the government assumed power in December 1992.

The first issue of the bulletin JAYJUN [as transliterated], mouthpiece of the Tajik Revival movement, in

Arabic has been published. The editorial spoke about the reasons which prompted the movement to "decide to take up arms."

The bulletin reveals that Revival forces captured nine soldiers, among them a Russian officer holding the rank of captain, in an operation against government forces in the Tovil-Dora area.

Turkmenistan

Niyazov, Yeltsin Hold Telephone Conversation

LD0211103693 Moscow ITAR-TASS in English 1008 GMT 2 Nov 93

[By TURKMEN PRESS AGENCY for TASS]

[Text] Ashgabat November 2 TASS—A telephone conversation between President Saparmurad Niyazov of Turkmenistan, and President Boris Yeltsin of Russia on Monday dealt with matters aimed at further developing Russo-Turkmen relations. Yeltsin and Saparmurad Turkmenbashy [Niyazov] pointed out the two countries' interest in more active bilateral relations, the Turkmen press agency reported.

Boris Yeltsin "congratulated Saparmurad Turkmenbashi on the introduction of a national currency and supported the decision," the agency said.

The leader of Turkmenistan, for his part, assured that "he supports in every way and approves of the Russian president's political course and wished him success in holding the elections to the State Duma (council)."

Saparmurad Turkmenbashi and Boris Yeltsin also discussed a number of important matters which are to be considered at a regular CIS summit.

Trade, Economic Accords Signed With Tajikistan

LD0211124293 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 2 Nov 93

[Text] Abdumalik Abdullodzhanov, chairman of the Council of Ministers of the Republic of Tajikistan, paid a visit to Ashgabat with a working group, which consisted of the heads of several ministries and departments. Turkmen Vice Premier Jorakuly Babakulyev and Tajik Ambassador to Turkmenistan Akbarsho Iskandarov met him at the airport.

Abdullodzhanov held a meeting with Turkmen Vice Premiers Babakulyev and [Valeriy] Otchertsov at the Cabinet of Ministers, along with the heads of ministries and departments of the two countries. Abdullodzhanov congratulated his Turkmen friends on the occasion of introducing the national currency into circulation.

The drafts of the agreements on trade, economic, and banking cooperation were discussed in the course of the meeting. The issue on state debt was examined. It is pleasant that the sides have found common understanding nearly on all issues. A number of agreements on trade and economic cooperation and on payment and credit were signed in the capital of Turkmenistan. They were signed by Abdullodzhanov and Babakulyev. According to these agreements our republic will receive the necessary amount of diesel fuel, aircraft fuel, bitumen, vegetable oil, and cotton seeds.

Turkmen President Saparmurat Niyazov received Abdullodzhanov in the evening. The issues pertaining to assistance to our republic, allocating long-term credit, delivery of fuel, and reduction of prices on gas and other kinds of products were discussed. The president of Turkmenistan assured the head of the Tajik Government that his country will render assistance to Tajikistan.

Abdullodzhanov and his accompanying delegation returned to Dushanbe today.

Manat Enters Circulation as New Currency

LD0111164093 Moscow ITAR-TASS World Service in Russian 1512 GMT 1 Nov 93

[By Turkmen Press correspondent for TASS]

[Text] Ashgabat, 1 Nov—Turkmenistan's new national currency, the manat, was put into circulation in the republic today. The manat becomes the sole legal tender in the country. According to President Saparmyrat Niyazov, one Turkmen manat is worth 500 Russian rubles and 0.5 U.S. dollars. Turkmen banknotes have been printed by the British firm Thomas De La Rue in denominations of 1, 5, 10, 20, 50, 100 and 500 manats. There are 100 tenge to one manat. The British Royal Mint has produced coins in denominations of 1, 5, 10, 20 and 50 tenge.

A new system of wages and social allowances was also introduced in Turkmenistan on 1 November. The minimum wage and pension have been set at 150 manats. It is thought that average wages will be 400 manat. Against this a loaf of bread costs 20 tenge, one kilo of butter eight manats, a kilo of meat six manats, and a litre of petrol 25 tenge.

The authorities took steps in good time to make sure that there were sufficient supplies on the domestic consumer market. Supplies had greatly dwindled of late because of the inflationary processes in the ruble zone. Consumer goods and domestic appliances have appeared in the shops at reasonable prices. The latest color television set, for instance, costs 528 manats, and a washing machine 90 manats.

IMF experts reckon that the preparatory work done by the Government of Turkmenistan ahead of the currency's introduction makes it possible to assume that the manat's exchange rate ought to remain stable for at least the next few months.

Uzbekistan

Russia 'Shoving' Tashkent out of Ruble Zone

LD0211190993 Tashkent UZBEKISTAN APN in Russian 1158 GMT 2 Nov 93

[Text] [no dateline as received] The leadership of Russia is literally shoving us out of the ruble zone, declared Uzbek Deputy Prime Minister Bakhtiyar Hamidov, speaking at a news conference today. Back in late October we were confident that Uzbekistan would be in the ruble zone. The corresponding documents were signed by the leaders of the central banks of Russia and Uzbekistan. However, new conditions raised by the Russian side cannot even be called conditions—they are more like demands, moreover cabalistic demands. One of them is to provide 50 percent of the collateral for credit received by gold, and that amounts to about 40 tonnes—we consider that to be unacceptable. Can we include in the documents today's black market rate when the 1993 issue ruble is equal to 2.5-2.8 rubles of the 1961-92 issue?

It is quite obvious today, Bakhtiyar Hamidov said, that even if Uzbekistan agrees to the Russian side's conditions, Moscow will probably think up new ones. One could have understood Russia if we had had the same slump in output as they had. But after all, the growth in industrial and agricultural output in Uzbekistan is there for all to see. In the very near future we shall coordinate efforts with our Kazakh colleagues, taking account of the mistakes made by Ukraine and Kyrgyzstan in introducing their national currencies, and will introduce our own money. Here we shall try to do everything possible to ensure that the population of our countries do not suffer. The economic consequences of our two states' leaving the ruble zone will be extremely considerable for Russia too, the deputy prime minister of Uzbekistan added.

Khamidov: Ruble Talks 'Deadlocked'

LD0211191793 Moscow INTERFAX in English 1452 GMT 2 Nov 93

[Text] The talks on creating a new type of ruble zone between Russia and Uzbekistan have been deadlocked, the Uzbek Vice Premier Fakhtiyar Khamidov told a news conference in Tashkent Tuesday.

He said that the developments of the past few months around the new type of ruble zone testify to the fact that those Russian politicians who prefer to speak to others from the position of strength become more and more arbitrary. Speaking of themselves as Democrats they more and more use pressure, orders and arm-twisting against their CIS partners.

The vice premier said that at the talks on a new ruble zone, Russia had advanced crushing terms which put under question the sincerity of some Russian leaders. Khamidov has said that Moscow demands are virtually directed at pushing Uzbekistan out of the ruble zone.

Khamidov enumerated some demands advanced by Russia: to document supplied banknotes as an interstate credit. Uzbekistan must use gold and U.S. dollars to back at least 50 percent of its cash and non-cash money supply. Old rubles could be exchanged for 1993 Russian rubles at a ratio of three to one.

Advancing such groundless demands, said Khamidov, Russia has again demonstrated inconsistency. He said that such policies may cause serious economic and political losses for Russia and Uzbekistan, which are connected with hundreds of thousands of production, technological and other ties.

The vice premier has said that Tashkent faces the need to develop its own program of moving to a single currency, which will shortly be coordinated with the relevant program in force in Kazakhstan.

Khamidov, though, expressed hope that common sense and a civilized approach would take the upper hand in the Russian government, and Uzbekistan and Russia will join their efforts and find a way out of the crisis so as to create a socially-oriented free-market and an integrated economy.

Correspondent on Exclusion

LD0211234993 Moscow Mayak Radio Network in Russian 1445 GMT 2 Nov 93

[Report from Uzbekistan by correspondent Maya Danilova]

[Text] There was a news conference in Tashkent this morning at which Uzbekistan's Deputy Prime Minister Bakhtiyar Khamidov and Central Bank chief Fayzulla Mulladzhanov declared that the Russian Government had pushed the republic out of the ruble zone. Uzbekistan cannot accept the crushing terms of Russia's Government and Finance Ministry.

So what are they? According to the deputy premier, there is primarily the supply to the republic of the cash needed for change, but on credit terms. In other words, Uzbekistan has to buy it from Russia at a very high rate of interest and pay for it in gold, about 40 tonnes of it. In fact, the deputy premier said, it amounts to converting the republic's Central Bank into one of the branches of the Central Bank of Russia. Uzbekistan intends to draft a program for switching to its own currency and is planning further integration with Kazakhstan.

So Uzbekistan has been pushed out of the ruble zone. This is probably one of the ways in which Russia defends its own economic interests. After all, it is beyond doubt that a unified ruble space requires additional expenditure by Russia. But this expenditure was compensated by the republics of the ruble zone: for each ruble issued to them 23 kopeks remained in the Russian Central Bank as payment for ensuring the money circulation. There were other compensations too—specifically, for technical credit.

Nevertheless, the main thing was that a unified ruble space was beneficial to all. Uzbekistan was for Russia a major supplier of cotton, nonferrous metals, and other raw materials, while finished goods from Russian enterprises that were not much in demand on the world market came on to the Uzbek market. The sale of Russian goods in Uzbekistan meant safe jobs, keeping enterprises afloat and a solution to social problems in Russia itself.

Withdrawal from that market—which many countries, incidentally, are keenly exploring—will inevitably mean new problems. Nor can one ignore the interests of the Russian-speaking population living here, for whom the ruble zone was effectively a link with Russia.

In this situation, Uzbekistan is not slamming the door. Some time will be needed to draw up a program for the transition to its own currency. So there is still time for thought.

Joint Currency Planned With Kazakhstan

LD0211145093 Moscow Radio Moscow World Service in English 1200 GMT 2 Nov 93

[Excerpt] [passage omitted] The Central Asian country of Uzbekistan intends to have a uniform currency unit with neighboring Kazakhstan, Uzbek Vice Premier Bakhtiar Hamidov told a news conference. Both are using the ruble now as a means of payment.

Armenia

Yerevan Decides Against Sending Troops to Georgia

NC0211193193 Yerevan Armenia's Radio First Program Network in Armenian 1400 GMT 2 Nov 93

[Excerpts] The presidential press secretary Aram Abrahamyan held a news conference today. In conveying his impression of the results of the working visit of an Armenian delegation to Paris between 27-30 October, Abrahamyan indicated that the French official circles and public are positively disposed towards the Armenian state and the Armenian people. This is evinced by the periodic meetings between the French and Armenian presidents, during which they display readiness and interest for the development of friendly and warm relations between the two countries. [passage omitted]

Referring to the developments on the Karabakh-Azerbaijan military confrontation zone in the last few weeks, Aram Abrahamyan noted that regrettably Azerbaijan is not yet ready to seriously (?consider) the establishment of a stable and lasting cease-fire with officials of the Nagorno-Karabakh Republic. Though Aliyev has been elected legal president, domestic tension continues in that country and the Karabakh card is seen as a means to resolve the domestic contradictions. Second, the CSCE must act a bit more energetically and resolutely, it should try to impart some dynamism to the diplomatic process. In Abrahamyan's opinion, the informal talks to open today [in Vienna] aim at serving that purpose.

In reiterating Armenia's position, as expressed in the statement made by the Armenian president at his news conference in Paris, on the Georgian leader Eduard Shevardnadze's well-known appeal, Aram Abrahamyan noted: We are ready to make every political effort to stabilize the situation in Georgia and to put the communications routes back to work only after political stability is established in that country. And, if the Georgian leaders then appeal to us again with a request to protect the communications routes, we will be ready to cooperate with the Georgian side to ensure the safe transportation of freight. Finally, Abrahamyan expressed the conviction that such a decision [not further specified] will be correctly appraised by the Georgian leaders and the people.

Azerbaijan

President Geydar Aliyev Addresses Nation

NC0211220093 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1700 GMT 2 Nov 93

[Address to nation by President Geydar Aliyev in Baku on 2 November—live]

[Excerpts] Dear compatriots, and esteemed sisters and brothers, today I have come to the television studio to exchange some views and express my own views with you on the situation that has arisen in the Republic following the recent attacks and aggression of the Armenian armed forces against Azerbaijan's territory.

The Azerbaijani Republic and its citizens have been living under conditions of war for over five years. During this period, the aggression of the Armenian armed units against Azerbaijan has continued unceasingly, and over the months and years Azerbaijan's territorial integrity has been violated and its lands have been occupied by the aggressor Armenian armed forces. In recent weeks, the situation has become even tenser in Azerbaijan's rayons bordering Armenia, the aggressive attacks of the Armenian forces have further intensified, resulting in the destruction of the settlements, cities and towns in the south of Fizulinskiy and Dzhebrailskiy Rayons, and these rayons have come completely under the occupation of the Armenian armed forces. Later on, attacks were launched on Zangelanskiy Rayon which ended with the occupation of that rayon. This was a new blow to our Republic's citizens, security and territorial integrity. People were killed and injured and tens of thousands became refugees. [passage omitted] Since the start of the Armenian aggression, nearly 16,000 Azerbaijanis have been martyred, 22,000 injured, and hundreds of thousands have become refugees. [passage omitted]

Azerbaijan is now in a grave situation. And, the situation has become even graver and tenser in recent weeks. Today, I have no intention of making a comprehensive assessment of these problems. I only want to touch upon certain matters and express my own views, and I also want to illuminate certain problems.

It is obvious that since my election first as the chairman of the Supreme Soviet and then my election as president, I have favored the ending of the war between Armenia and Azerbaijan, the recovery of occupied Azerbaijani lands, and in general the halting of this military conflict, and I have stressed the path of peace for the solution of these problems. [passage omitted] It is obvious that by choosing this path we wanted to make use of the possibilities offered by the international organizations, and I can courageously state that we have been able to secure very productive and active measures. We have tried to make maximum use of the UN Security Council, and the CSCE Minsk Group. In addition, we have tried to make use of the initiative and mediation of the big powers. [passage omitted] Regrettably, these measures have not produced any results so far. However, this does not mean that we are abandoning this path. [passage omitted]

We did not remain indifferent to these problems. We are dealing with these affairs day and night and are trying to take the necessary measures. We are trying to take advantage of every opportunity. However, all these have not produced the expected results. I do not intend to analyze the reasons for this failure now. However, it must be noted that our defeats are due, on the one hand, to weakness and the Azerbaijani Army units' lack of fighting skill and, on the other hand, to the readiness of the people who live in these areas to flee rather than defend their own land. It is no secret that our soldiers and fighters in Dzhebrailskiy Rayon, in Goradiz, and elsewhere abandoned the civilians and fled the battle zones, without putting up any fight. Despite our measures to enable our fighting forces to defend Zangelanskiy Rayon, many of the fighters there, instead of defending their positions, preferred to flee to Iran without putting up any fight or resistance. This is a great blow to us. It is very difficult to make this confession, but it is a fact, no matter how bitter it is. Certain people say that the occupation of part of Azerbaijan is due to Azerbaijan's lack of defensive capability or the failure of the Azerbaijani leaders to take the necessary measures. This is not correct. These misfortunes, these defeats are the logical conclusions of the processes that have taken place in Azerbaijan for more than five years. The Armenian aggression started in February 1988. We have now been in this situation for six years. During this time, unfortunately, the people and bodies running the Azerbaijani Republic did not take the necessary steps to defend Azerbaijan and its territorial integrity. [passage omitted] It is not possible to create an army in one day, five days, a month, or three months. However, it would have been possible to create an army over two or three years and defend Azerbaijan. But this opportunity was lost, and Azerbaijan's defense has suffered rather than improved. Various groups and battalions fought independently of each other. They served various forces and goals and lacked an overall military strategy. They did not act with military discipline or order. [passage omitted]

Regrettably, the Nagorno-Karabakh problem was exploited throughout this period by many groups struggling for power. For the sake of attaining power, various groups, political groups, and individuals exploited this tragic situation in Azerbaijan to suppress and replace one another. Forgetting the problems of the Azerbaijani people, these groups tried to use of this situation to attain power. Even those who came to power in 1992 did so by exploiting the Karabakh problem. Even now, various groups and individuals, motivated by their own interests and political ambitions, are again exploiting this situation. [passage omitted]

The fact that hundreds, thousands of our fighters are fleeing the battle zone, the areas they were defending, leaving the civilians behind, means that there is no order and discipline in the Army. These fighters do not have the courage to defend our land. But, according to information available to us, the withdrawal of certain army units without any resistance—while withdrawing, some of these armed units also frighten the people and force them to flee—is also the result of provocation by various criminal and political groups pursuing their own interests. We have substantial proof of this. The situation must be correctly assessed, and no one should think that this situation has come about only recently. [passage omitted]

Today we discussed the situation at the Defense Council. We adopted serious measures. Major General Zabir Rizayev, the commander of the border guards and first deputy defense minister, was removed from his post. The issue of his demotion too was discussed. But considering his past services [words indistinct], the council only relieved him of his post. Sefer Abiyev, chief of the General Staff and first deputy defense minister, was also relieved of his post. [words indistinct] It was also noted that the Council of Ministers and its leadership have failed to take the necessary measures on defense matters in recent months, and have failed to show necessary interest in the Army's logistics problems [words indistinct]. A new chief of staff has been appointed. He is General Nedzhmettin Huseyin ogly Sadykov. Other measures are also being taken. However, we do not think that these measures will be our only response to the latest developments. We have instructed the national security organs and Prosecutor- General's Office to take the necessary measures against those who have acted treacherously or criminally in their Army units and in the battle zone. They all must be punished before the law and the people. [passage omitted]

I again repeat that we have to strengthen our defensive forces in a comprehensive manner. Yet, even under these grave circumstances I still favor a cease-fire, holding peace talks, a solution of the problem and the return of the occupied lands by peaceful means. This is my position, and motivated by this position I am keeping in contact with various states. Moved by this position, we are holding some contacts with Armenia and will pursue this position. However, at the same time we are not pinning our hopes on this alone. Azerbaijan must have a respectable defense. We are not pursuing aggression, we only want to recover our lands, to recover the occupied lands, and ensure the territorial integrity of Azerbaijan. This is a work of justice. We have to make use of all possibilities on this path of justice. The entire morale-psychological situation in Azerbaijan must undergo change if we want to strengthen the defensive forces. [passage omitted] Now, the Defense Ministry is taking the necessary measures. It is undertaking a mobilization. It is not a general mobilization. It is a (?limited) mobilization. I want to point out that during its membership in the USSR, Azerbaijan provided 60,000 soldiers to the Soviet Army each year. Why should we not be able to achieve this now, despite the fact that Azerbaijan is now an independent state? Why do part of the young men evade the military service, families take their sons out of Azerbaijan to evade serving? If so, who is then going to defend Azerbaijan and its independence? Therefore, it is one of our main duties to see that the people rise up, feel national patriotism, and mobilize themselves. In arriving at the television studio I heard a news item on the television an hour ago. It reported that Azerbaijan, which had 3 million people at the time, mobilized 18,000 soldiers on the first day of the WW II. Why is it that we cannot do the same today? Why is it that we managed to mobilize our people to defend the Soviet Union and yet we cannot mobilize people to defend our own state and independent Azerbaijan? [passage omitted] Could a man who pays a bribe to save his own son think about his homeland and land? Or the man who commits a crime by accepting a bribe think about Azerbaijan's independence? All these problems must be solved. We will take serious measures on this issue. [passage omitted] I call on the people to join in the implementation of these measures. Azerbaijan is facing a great danger, and we can halt and should halt this danger, provided that each person fulfills his task.

The police organs, other security organs and prosecutor-general's organs should take the necessary measures to make people adhere to the laws. However, this could be done provided that officers in these organs and in the Army act with moral rectitude and feel the need to fulfill their patriotic responsibilities. Otherwise, they will not be able to fulfill these tasks. The police organs, prosecutor-general and military commissars have been given broad powers. However, these powers should exclusively be used to strengthen the state, establish law and order, form the Army, to bolster the defensive forces, and ensure territorial integrity, and not for personal aims which must be put in the background. Now, everything must be done for the front. [passage omitted]

Certain forces are exploiting the latest situation to undermine domestic stability in Azerbaijan. Regrettably, some of these forces, forces belonging to the Azerbaijan People's Front [APF] and other groups, are going to the border rayons and frightening the people and forcing the people to leave their homes. Some of these groups help create conditions for the occupation of some of the rayons. Now, they have stepped up their activities by taking advantage of this situation. Such actions are treason. It is treason against the people and land. We have information to this effect. These people, who were the real culprits in reducing Azerbaijan to this situation, are now taking advantage of this situation to regain their lost positions. They are resorting to very dirty acts and committing dirty works. They want to create dissension and confusion within the people, and upset socio- political stability. The latest information shows that certain groups and organizations of APF are distributing arms in rayons to foment armed uprisings in order to regain power. [passage omitted] An end must be put to such actions. When I was inaugurated president on 10 October, I informed the people that I am inviting all the forces in Azerbaijan, regardless of their political and world outlook, to unite to extricate Azerbaijan from its grave situation. Our political and ideological differences should be set aside. Now we have one task, which is to extricate Azerbaijan from this grave situation, to ensure Azerbaijan's territorial integrity, its defenses. Everyone must contribute what he can for this purpose. Our sole great responsibility is toward the Azerbaijani Republic and people. We must all unite around this to ensure Azerbaijan's independence, defenses and territorial integrity. Once this is done, let whoever wants come and occupy whatever position he wants. [passage omitted] I call on these political forces, the People's Front and others to give up pursuing such aims. Azerbaijan's state laws and regulations will be defended, the Azerbaijani state is able to protect itself and the Republic, and I believe that these organizations will draw the necessary conclusion from this. We will not allow such actions. I just want to inform them.

Therefore, regardless of these ugly moves, I call on the people and all the political parties and forces and all those who love Azerbaijan and respect the homeland to bring all their forces together and work for one goal: to defend Azerbaijan and extricate it from this grave situation. Azerbaijan's economy and industry too are in shatters. [words indistinct] However, all these problems could be solved if the people act with dignity. [passage omitted]. Therefore, we must all unite and defend Azerbaijan to extricate ourselves from the existing situation. [passage omitted] Some suggest that martial law should be introduced because Azerbaijan is under war conditions. [words indistinct] However, I believe that if each citizen fulfills his citizenship duties and remains true to his own homeland and upholds it above all else, there will be no need for such measures. If all the political parties unite around one objective and around the state and show the will to extricate Azerbaijan from this grave situation through legal means, then there will be no need for such measures. However, it could be that the situation might force us to taking such measures. I hope that if we achieve national unity we will not need to take such measures [words indistinct].

I also want to inform you that we are pursuing, and will pursue, our own diplomatic activity. We will try to achieve the continuation of the cease-fire through talks, we will continue giving priority to the solution of the problems through peaceful means. However, each Azerbaijani citizen must feel that he must sacrifice for the defense of the country, he must [words indistinct]. This is the main task; all the other problems will be solved later. This is our first task. [passage omitted] I call on all of you to make sacrifices and act for the defense of Azerbaijan.

Thank you for your attention, I wish good fortune to the Azerbaijani people in these grave days. Thank you.

Aliyev: Armenian Aggression 'Ominous'; 70,000 Flee

LD0211192793 Moscow INTERFAX in English 1746 GMT 2 Nov 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature]

[Text] President Gaydar Aliyev addressing the National Security Council on Tuesday [2 November] spoke of Armenian aggression on Azerbaijan taking ominous dimensions. He said Armenian forces had taken control of about a third of the country's territory. Aliyev had reiterated the need for resolving the problem of refugees as the government's main priority.

State Secretary Lala Gajieva was instructed to handle the problem of providing makeshift tents and food supplies to thousands of refugees who fled their homes in the southwest following a recent Armenian advance, presidential sources told INTERFAX.

No word is given of the exact number of refugees because of the disruption of communications with southwestern Azerbaijan. Unconfirmed reports say part of the local population trapped in the Zangelan region is trying to cross the Araks river into neighboring Iran.

Some estimates put the number of refugees fleeing for safety into the country's east via Iranian territory at more than 70,000.

Azerbaijan is now in need of makeshift tents to shelter 350,000 to 400,000 people and more than 100,000 portable stoves.

UN experts visiting the refugee camps will now try to estimate the amount of aid to be sent to Azerbaijan. The UN is expected to send about a $1.6 Million in food aid to the region this week as part of its humanitarian relief program.

IF Note: The situation in southwest Azerbaijan which was scene of heavy fighting between Armenian and Azerbaijani forces in the middle of last month has somewhat stabilized, Nagorno-Karabakh Defense Ministry sources say. Reports speak of relative calm there overnight and on Tuesday morning. In the meantime, Prime Minister of the self-proclaimed Republic of Nagorno-Karabakh Robert Kocharian has blamed the latest round of fighting on Azerbaijan, which launched "an unprovoked offensive seizing a number of strongholds in the region."

Aliyev Decree on New Defense Ministry Appointments

NC0211224693 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 2 Nov 93

[Text] A decree signed by the Azerbaijani president has created the post of state adviser on defense matters. Nurettin Sadykh ogly Sadykhov has been appointed to this post.

The presidential decree also appointed Nedzhmeddin Huseyin ogly Sadykhov as first deputy defense minister and chief of the general staff. Sefer Akhundbala ogly Abiyev was removed from this post.

Zabir Riza ogly Rizayev was removed as first deputy defense minister and commander of the units fighting at the fronts. Asif Akim ogly Abbasov was appointed military commissar of the Republic.

Intikam Dzhevat ogly Abdullayev was removed as director of the presidential department on the creation of the Army. (Khamsiyin) Dunyamali ogly Beylerov was appointed head of the executive committee of Imishlinskiy Rayon. Intizam Nizam ogly Ekberov was removed from this post.

Defense Council Holds First Meeting Under Aliyev

NC0211171293 Baku TURAN in English 1230 GMT 2 Nov 93

[Text] Baku November 2 (TURAN)—Last night the first sitting of the Council of Defense of Azerbaijan (CDA) under the leadership of G. Aliyev took place.

The situation at the battle-front were analyzed and the measures of the leadership of the country in the light of the non-stop Armenian aggression were discussed at the sitting of the CDA.

Together with the president, the prime-minister, the state secretary, the leaders of the powerful ministries and the leaders of the parliament are the members of the CDA.

This is the first sitting of the CDA since G. Aliyev came to power.

The Council of Defence of Azerbaijan was created in 1991 by President A. Mutallibov. The distinctive feature of the CDA was the fact, that the representatives of the opposition were its members.

During the PFA's [People's Front of Azerbaijan] reign on May 1992 it was transferred into a state defense committee.

By his decree G. Aliyev restorated the previous name of this body.

Further on Meeting

LD0211212793 Moscow INTERFAX in English 1925 GMT 2 Nov 93

[Text] The first session of the Azerbaijani Defense Council set up by decree of President Geydar Aliyev has discussed the latest failures on the Karabakh front as well as conscription problems. A few days ago Azerbaijani formations were forced by the Armenian side out of Zangelan region as well as parts of Jebrail and Fizuli regions bordering on Iran.

After the session on Tuesday the presidential press service announced that the defense ministry was strongly recommended "to get down to working out the strategy and tactics of defense in earnest." Ministries and agencies were instructed to satisfy the needs of the army and supply refugees with all the necessities.

At the session Aliyev denounced "the practice of hunting for conscripts in the streets and at places of employment." In his opinion call-up should be conducted strictly in keeping with the law.

According to some sources, during the past few days in Baku and other parts of the country conscription centers and law enforcement bodies have been conducting joint raids to find and bring in conscripts. Witnesses say the pay-off for avoiding such a call-up is about 200,000 rubles.

Simultaneously the council decided to "apply the strictest sanctions to deserters and persons evading conscription."

Situation in Southeast Area Stabilizes

LD0211132593 Moscow INTERFAX in English 1135 GMT 2 Nov 93

[Text] The situation in the southeastern parts of Azerbaijan, the scene of pitched battles between Armenian and Azerbaijani forces in mid-October, has stabilized to some extent, Interfax was told by officials in the Karabakh Defense Ministry. In early hours of November 2 relative calm with brief sporadic fire exchanges reigned along the entire front line. The ministry says that Karabakh units are strictly observing the cease-fire orders.

Meanwhile, Prime Minister Robert Kocharian of the self- proclaimed Nagorno Karabakh Republic, who also heads the Defense Committee, said that the latest escalation of tension in the war zone that had put an end to a truce "was the result of an unprovoked offensive mounted by Azerbaijani forces and capture of various important areas by them."

In a letter to the UN Security Council Kocharian says that in a telephone talk with Karabakh leaders the top officials of Azerbaijan did not deny that it was Azerbaijani units, albeit not obeying central authorities, that had broken the truce.

Kocharian points out that "the scale of the (Azerbaijani-IF [INTERFAX]) offensive with the use of twenty tanks and armored vehicles that supported 500 infantry troops and especially radio interception data confirm that it was mounted on direct orders from the Azerbaijani Defense Ministry.

As a result of a counter-offensive the Karabakh forces reached the Azerbaijan-Iran border and captured the Zangelan District of Azerbaijan. They have nearly the whole of Azerbaijan's south western part under their control which includes the Lachin, Kubatli, Zangelan, Jebrail and Fizuli District and the Agdam and Kelbajar District east and west of Karabakh. By some reports over 70,000 refugees from the Zangelan District have crossed the Iranian border and moved across Iran to safer parts of Azerbaijan.

Armenian Forces Said Preparing for New Offensive

NC0211170293 Baku TURAN in English 1230 GMT 2 Nov 93

[Text] Baku, November 2 (TURAN)—A reliable source at the Azeri Defense Ministry told TURAN news agency, a concentration of the powerful armoured and motor-infantry units of the armed forces of Armenia goes on at the borders of Kazakhskiy region (the north-west of Azerbaijan).

So, the most efficient units of the Armenian Army and mercenaries: about a thousand of Russian cossacks, the so-called Araba Battalion (consists of the Arabian states citizens of the Armenian origin), the special frontier unit of Gorisskiy ITC [expansion unknown]. Are being transported to Noyemberganskiy and Idzhevanskiy regions of Armenia. The concentration is being covered by the version of rendering military assistance to Georgia in the guarding of railroads on E. Shevardnadze's request. But the number of the units, being transferred, and the character of their location leave no doubts in their direction against Azerbaijan. Besides, the observers stress the relocation of the armoured equipment and the special units of the armed forces of Armenia to the north of Karabakh.

To the observers' mind, the latest violation of cease-fire by Armenia and the seizure of the new territories in the south-west of Azerbaijan, as well as the preparations to the offensive in the north-west are aimed at provoking Azerbaijan to the reply measures (the announcement of the martial law, total mobilization, declaration of the war to Armenia). This can become a cause for launching a prepared lightning stroke on Kazakhskiy region with the following seizure of Tbilisi-Akstafa-Idzhevan railroad and the closing of Baku-Tbilisi railroad.

As a reliable source in Moscow told TURAN news agency, the generals of the Armenian Army in cooperation with the headquarters of the Russian troops in Armenia also work out a plan on the seizure of oil-gas-pipeline, going through the north-west region of Azerbaijan. The control over the railway and oil-gas communications, to the Armenian strategists, will let Yerevan to gain an independent existence of the NKR [Nagorno-Karabakh Republic]. With an aim to get a constant control over the occupied territories and to provide the observation of manoeuvres of the Azeri governmential troops, the Armenians intend to launch a balloon probe.

To TURAN experts' mind, the regular Russian arms injections to Armenia are aimed at turning the army of this country into a lever for carrying out the Moscow policy in Transcaucasia. As known, the latest Armenian offensive on Zangelanskiy started after Baku refused to create a 12-mile wide fishing zone in the Caspian Sea and to introduce Russian peacemaking forces to Azerbaijan. As a result of this offensive Zangelanskiy region was seized and the rout of the future Baku-Mediterranean oil pipe-line was dammed.

Foreign Minister Hasanov Arrives in Turkey

LD0211173593 Moscow Mayak Radio Network in Russian 1530 GMT 2 Nov 93

[Text] Azerbaijan's Foreign Minister Hasan Aziz Oglu Hasanov has arrived in Turkey, where he delivered Azerbaijani President Geydar Aliyev's written message to the head of the Turkish Republic, Suleyman Demirel.

Questions of bilateral relations, the situation in Azerbaijan and in the territories seized by the Armenian armed formations will be discussed—this is how Turkish Foreign Minister Hikmet Cetin described the agenda.

Hikmet Cetin noted that the decisions of the UN Security Council, of the CSCE and the Minsk group in charge of a settlement of the Karabakh problem are insufficient. The time has come to consider what he termed coercive measures against the aggressor, since the situation that has taken shape in the area affects the interests of all the states in the region. So—Ankara's official representative sees the future in terms of coercive measures.

People's Front Holds Rallies in Nakhichevan

NC0211171093 Baku TURAN in English 1230 GMT 2 Nov 93

[Text] Baku, November 2, (TURAN)—An appeal calling for the population to participate in a rally in support of the Minister of Internal Affairs of the Autonomous Republic Ramil Usubov was broadcasted on Nakhichevan TV last evening.

Earlier the PFA's [People's Front of Azerbaijan] rallies were held in different regions of Nakhichevan, the biggest one took place in the capital of Nakhichevan on October 29. The accusations of the Azeri leadership for the surrender of the new territories and for the worsening social-economic situation in the country sounded at the rallies. A picket in front of the building of the Ministry of Internal Affairs demanding the resignation of the chief of this department Colonel Ramil Usubov took place on October 29.

To the reports from Nakhichevan, the rating of the authorities falls down there. Last week the leadership of Nakhichevan under the pressure of the local population returned a military unit, loyal to ex-President Elchibey back to Ordubad. Together with this, as a reliable sources in military units billeted in Nakhichevan reported, the commanders, sympathizing Elchibey are being removed. The ex- president for himself have not made any statement yet.

Georgia

Shevardnadze Calls For Peacekeeping Troops

AU0211173393 Berlin BERLINER ZEITUNG in German 26 Oct 93 p 7

[Interview with President Eduard Shevardnadze by Marcos Gittis and Norbert Klaucke in Tbilisi; date not given]

[Text] [BERLINER ZEITUNG] Has Georgia once again lost its independence to Russia by joining the CIS?

[Shevardnadze] No. Any country is independent in this community of states. Therefore, I do not see this step as a tragedy.

[BERLINER ZEITUNG] Georgian parties and government politicians have a different view on this.

[Shevardnadze] I know that many people in my government do not like the fact that I signed the CIS treaty. But we do not have any other choice. The war must be ended as quickly as possible. The CIS will help in this.

[BERLINER ZEITUNG] What kind of help do you expect from the West, in particular from Germany?

[Shevardnadze] I have talked about that so often. If I had been paid for every time I talked about that, this alone would be enough help, if you know what you mean.

[BERLINER ZEITUNG] Thus, the West has failed?

[Shevardnadze] No, I would not put it that way. Western aid is just far too small. In order to prevent war in the country peacekeeping troops would have been very helpful. For several months our Parliament has written letters to the United Nations, NATO, and the European Community. We have never received a positive response. The Germans and the French also left us in the lurch in this regard.

[BERLINER ZEITUNG] What does Abkhazia's secession mean for Georgia?

[Shevardnadze] I do not believe that Abkhazia can be separated from Georgia. Just as this meaningless division in Germany has come to an end, Abkhazia will take its traditional place again in Georgia after some time.

[BERLINER ZEITUNG] Your friend Hans-Dietrich Genscher sent you a letter a few days ago, in which he promised to do everything in his power to help you and your country. How did you react?

[Shevardnadze] I talked to Mr. Genscher on the telephone.

[BERLINER ZEITUNG] May one ask what you talked about?

[Shevardnadze] Mr. Genscher told me that he will intervene in the conflict, that is, in the relations between Georgia and other countries. I do not want to say any more about that at the moment.

Shevardnadze Urges Zviadists To Lay Down Arms

LD0211182493 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 2 Nov 93

[Address to the people of Mingrelia, "a west Georgian province, Gamsakhurdia's stronghold," by Eduard Shevardandze, parliament chairman and head of state; place and date not given—live or recorded]

[Text] As has many times happened in the history of the Georgian people, during these days fatal for Georgia, I appeal to the inhabitants of all rayons, towns and villages of Mingrelia to make a decisive contribution to a life-and-death struggle for the unity and integrity of our country. Events have taken such a turn that everyone and everything have acquired their true names. Everyone has exposed his true face.

Now, in these historic days, you are capable of saving the lives of hundreds and thousands of people, capable of saving Georgia. To achieve this you have to appeal to the armed supporters of the former president to lay down their arms and stop a senseless war against the state of Georgia, for the continuation of the war will be deadly for Georgia, for hundreds and thousands of people and their families.

The authorities have already appealed to members of illegal armed units to return to their homes immediately, and to start peaceful work and rebuilding.

It is not too late to turn your backs to the adventurous politicians and a small group of traitors who mislead you and who made you direct arms against your own state.

A war has its own severe laws. Innocent people die in war. Wealth created by generations is being destroyed. Residential houses and schools are burned down. All this misfortune can be avoided if the appeals by the authorities are implemented, that is, armed resistance is stopped and weapons surrendered to specified places. In this is done there will be no need for government troops enter towns and villages. They will return to the places of their deployment.

As for order, it will be secured by the police, together with the local population.

I appeal to you to stand together; if we need to be armed, let us use the arms against our common enemy, and struggle for the restoration of the unity and integrity of Georgia.

[Signed] Eduard Shevardnadze.

Shevardnadze Issues Decree on Fighting 'Banditism'

LD0211191593 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 2 Nov 93

[Decree by State Council Chairman Eduard Shevardnadze; place and date not given—read by announcer]

[Text] The dragging war is leaving deep wounds in the lives and minds of the people. Brutality, mercilessness, and greed have become a part of the people's everyday lives. Repulsive acts of robbing their own people, marauding, banditism, and terrorism are linked to the criminal activities of the former Georgian president Gamsakhurdia and his supporters. They have become terrorists, robbers, and bloodsuckers of the Georgian people. The bodies of criminal investigation have to reveal the activities of such bandit gangs and present them to the court for the final verdict and judgement by the community.

Unfortunately, other Georgian citizens can be found beside those professional traitors and double-dealers among which there are some military servicemen and policemen who have ignored human life and laws on human rights and the inviolability of personal property. Unbridled ravages of marauders, bandits, and violators resulted in misfortune and the impoverishment of hundreds and even thousands of families. I have personally met them and talked to them and I have no right not to declare emergency measures against marauding and banditism as a temporary measure, especially regarding the policemen and servicemen who have brought shame to the high honor of a Georgian officer or soldier.

In connection with the situation, I decree:

Georgian Defense Minister Karkarashvili and Interior Minister Kviraia have to instruct Major-General Ivanov, head of the military police, and Major-General Lanchava, deputy interior minister, to establish specialized emergency units that will also include representatives of the military prosecutor's office. The above-mentioned specialized emergency units have to reveal and hand over to the military prosecutor's office servicemen, policemen, and civilians, who pose as officers and soldiers, detected in marauding and violence. Their cases shall be handed over to special court martials, and the guilty shall be punished under the full severity of the law.

In the areas of combat activities, special groups of representatives of military, regional, and town procurator's offices shall permanently be present with the aim of establishing and exposing the revealed facts.

All measures permitted by law, including liquidation [ganadgureba], shall be exercised on the spot against servicemen, policemen, and civilians detected in marauding and violence who refuse to submit to the demands of the law-enforcement bodies.

Commanders of all military units, heads of police subunits, heads of organizations and institutions of the region are obliged to provide the above-mentioned units with full support in the execution of the Georgian commander-in-chief's decree.

Generals Lanchava and Ivanov and the Georgian Military Prosecutor Shushanashvili have to provide me with daily reports on the implementation of the decree.

Heads of towns and rayons, respective heads of commandants' offices in the combat zone and State Minister Lominadze have to hand in proposals on the introduction of curfews, special treatment of the civilian movement, and other measures in their regions.

I consider it admissible to allow tahe temporary functioning of court martials, which will be established at the initiative of the personnel of the military units and subunits. I am confident that all of Georgia will welcome our efforts to defend the population and to strengthen the honor of the Georgian armed forces.

The ministers of defense and interior, Messers Karkarashvili and Kviraia have to bring this decree to the attention of the personnel of all units and subunits.

[Signed] Eduard Shevardnadze.

Shevardnadze on Commitment To Retrieve Abkhazia

AU0211192593 Hamburg DER SPIEGEL in German 1 Nov 93 p 173

[Interview with President Eduard Shevardnadze by an unidentified DER SPIEGEL reporter; place and date not given]

[Text] [DER SPIEGEL] Has your archenemy Gamsakhurdia finally failed?

[Shevardnadze] He had long been bankrupt as a politician. Now he has sunk to being the leader of a terrorist gang....

[DER SPIEGEL] ...which managed to undermine your state with 2,000 men and force your troops into retreat.

[Shevardnadze] Gamsakhurdia has more military equipment than we do. Most of it was smuggled to him by Abkhaz separatists. The goal was to split Georgia.

[DER SPIEGEL] The rebels have been beaten back for the time being. However, there are still enough of Gamsakhurdia's followers around.

[Shevardnadze] The man is a black force that is nourished from the lowest strata of our society. His program is extreme chauvinism, some kind of Georgian fascism. Perhaps 7 percent of the people throughout Georgia support him.

[DER SPIEGEL] You suffered a devastating defeat in the fight over Abkhazia. Do you now want to get the seceding republic back?

[Shevardnadze] This problem can be solved politically or militarily. We must be ready for both paths. In any case, we will get Abkhazia back. As long as there is still one Georgian alive, he will be committed to this goal, because 220,000 Georgians, who have so far lived in Abkhazia are on the run, and many have been shot dead or have starved.

[DER SPIEGEL] You have declared that Georgia has joined the CIS. Many of your compatriots think this is unforgivable.

[Shevardnadze] For the past 200 years Georgia has been linked to Russia, most recently to Soviet Russia. There is no people in the world that would want such an existence, but King Herakleios II, 200 years ago, did not see any other way out in the fight against the Persians than Russia's protective rule. Perhaps our country would long have ceased to exist otherwise.

[DER SPIEGEL] Have you not accused Russia of betraying Georgia?

[Shevardnadze] In the current situation we must find a balance between all the forces that surround us. We have no right to leave Russia out. The Germans, too, have had to revise their way of thinking in this respect.

[DER SPIEGEL] Wheat from the United States, sugar and flour from the Germans—is this enough help from the West for you?

[Shevardnadze] We invited UN peacekeeping forces to Georgia, but they have only sent observers. Instead of asking Russia for help, my opponents say, we should have invited troops of the Germans or of the Americans. The West gives us humanitarian support, which is a correct and honest policy. We are particularly grateful to the Germans. When the war is over here, the West will get involved more—with investment. I do not expect any other help.

Fighting With Zviadists Continues in West

Zviadists Still Control Khobi

LD0211124493 Moscow INTERFAX in English 1135 GMT 2 Nov 93

[Text] The regional center of Khobi in the west of Georgia is still controlled by supporters of ex-president Gamsakhurdia despite the attempts to liberate the city, the Georgian Defense Ministry's press center told Interfax. The Zviadists' positions are being shelled, the same source says.

Khobi is located about 25 kilometers from Zugdidi where Gamsakhurdia is reported to be staying.

On Monday, Georgian leader Eduard Shevardnadze visited the city of Senaki from which the Zviadists had been ousted. During his meetings with the local residents Shevardnadze said that gas and electricity supplies would be resumed to Senaki within the next few days. He also promised to intensify measures to protect civilians from bandits (Zviadists—Interfax).

Mayor of the Black Sea port of Poti, Roman Melia, told Interfax that life in the city was gradually getting back to normal. The railway, the port and the sea exit are being controlled by Georgian- Russian patrols. To quote the mayor, additional units of the police and of the Mkhedrioni paramilitary organization led by Dzhaba Ioseliani, arrived in Poti on Monday.

Roman Melia also announced that Poti has been without drinking water for more than a week due to the pipeline being damaged by the Zviadists.

State Troops Prepare To Attack Zugdidi

LD0211151793 Moscow ITAR-TASS in English 1447 GMT 2 Nov 93

[By ITAR-TASS corespondent Albert Kochetkov]

[Text] Tbilisi, November 2 (TASS)—Fighting has subsidied on Tuesday near the city of Khobi in western Georgia as government troops are pooling efforts and preparing for a major offensive on Zugdidi, the stronghold of ex-Georgian President Zviad Gamsakhurdia.

The government forces and equipment used to protect communication lines in western Georgia are being concentrated close to Zugdidi. Roads and railways are now guarded by the Russian troops at a Georgian request.

An estimated one thousand reservists are expected to reinforce the government troops.

The Georgian press is now actively discussing a direct participation of Russian paratroopers in the future attack on Zugdidi after large-fuselage transport planes used to airlift airborne forces had landed on a Russian military airfield near Tbilisi.

Journalists believe that the Georgian leadership might have asked for additional Russian help.

Georgian official sources refused to deny or confirm the allegations, while the press centre of the Russian troops said the planes had arrived "to relocate a communication brigade withdrawn from Georgia".

State Forces Enter Khobi

LD0211190193 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 2 Nov 93

[From the "Novosti" newscast]

[Text] After prolonged fighting, this afternoon Georgian government forces entered the town of Khobi in the west of the republic. According to Georgian sources, there is intensive exchange of fire in the streets of the town. I remind you that Khobi is only 25 km from the Zviadists' capital, Zugdidi.

Report on Khobi Clashes

LD0211235193 Moscow Radio Rossii Network in Russian 2000 GMT 2 Nov 93

[Text] [Announcer] The operational situation in Western Georgia remains tense. Positional fighting is continuing along the entire line of armed confrontation. Nikolay Mamulashvili, correspondent of the IPRINDA agency, reports from Tbilisi by telephone.

[Mamulashvili] By midday on 2 November, having completed concentration of manpower and equipment, Georgian government troops had approached the town of Khobi. According to some data, the combined arms operation against the ex-president's armed supporters in the sector of this inhabited settlement had started by 1600 hours on 2 November. According to unconfirmed data, by 1900 hours the Army units had dislodged the Zviadists from Khobi, and had established control over this town. It is fairly difficult to say anything specific in this connection. The point is that the Zviadists had de-energized the towns of Western Georgia which the government troops have entered. There are no civilian and government telephone links with the region. I remind you that Inguri electric power station, Georgia's biggest, is still in the hands of nongovernment armed formations. By the way, the lack of electric power is in many respects hampering the transition to a normal civilian life in the former front line towns of Senaki, Abasha, and Samtredia. In these rayon centers an acute shortage of drinking water is being experienced. Many facilities, including mechanized bakeries, were destroyed. There are plenty of various gangs and marauders in West Georgia.

At the same time, it is necessary to note that the republic's leadership and law enforcement bodies are doing everything possible to stabilize the situation. These operations are being coordinated personally by Eduard Shevardnadze, the head of the Georgian state, who remains in the confrontation zone. On 2 November, Shevardnadze appealed to Mingrelia's population, asking them for a maximum effort for establishing peace in Georgia and a cessation of the fratricidal war. For the umpteenth time, the head of state demanded that the ex-president's supporters stop their senseless resistance and lay down their weapons.

State Forces Continue Toward Khobi

LD0311061193 Moscow Mayak Radio Network in Russian 0530 GMT 3 Nov 93

[Excerpt] We begin our broadcast with news from Georgia. Iprinda agency correspondent Zurab Dvali is on the line to the studio. We can hear you; go ahead:

[Dvali] Good morning. As press secretary to the head of state Zaza Kandelaki said this morning in an interview on Georgian television, government units were continuing offensive actions toward the settlement of Khobi this morning. Head of the Georgian state Eduard Shevardnadze, currently in Abasha, visited combatants on the forward edge of the battle area yesterday. [passage omitted]

State Troops Unable To Occupy Kobi

LD0311134293 Moscow INTERFAX in English 1120 GMT 3 Nov 93

[Text] The Georgian governmental forces which entered the city of Kobi (western Georgia) on Tuesday afternoon did not manage to entirely occupy the regional center due to the dark, the press center of Georgia's Defense Ministry told Interfax. On Wednesday morning the battle for the city resumed.

Kobi is the last large populated center situated near the Zviadist stronghold of Zugdidi, where Georgia's ex-president Zviad Gamsakhurdia remains, Tbilisi reports. The cities are 25 kilometers from each other.

According to the press center, the government forces are not using artillery or heavy equipment in Khobi in order to avoid casualties among the civilian population. That is why the government forces are unable to seize the city rapidly.

According to unofficial information, Gamsakhurdia's supporters are concentrating their forces not only in Khobi and Zugdidi but also in the village of Chkhorotsku, situated to the east of these cities. New reinforcements are arriving in these regions by different routes. In general, these are Georgian refugees from Abkhazia who appeared in Zugdidi after Sukhumi's defeat. Currently there are about 120,000 refugees in the regions under Zviadist control. They are told that policy pursued by Shevardnadze and his "junta" is the major reason for their disastrous state. Tbilisi reports that refugees have already been pressganged into forming armed detachments numbering several thousand. The families of those mobilized in these detachments are being held hostage.

Sources in Tbilisi assert that Abkhazia and the Confederation of the Caucasian Peoples continue to render support to the Zviadists. If earlier they were sending mainly personnel, now military equipment is being transported via the Inguri river situated on the border between Georgia and Abkhazia.

The Abkhazian authorities reject reports on their assistance to Gamsakhurdia's supporters.

Zviadists Cut Off Railway

LD0311132093 Moscow ITAR-TASS in English 1233 GMT 3 Nov 93

[By ITAR-TASS correspondent Albart Kochetkov]

[Text] Tbilisi, November 3 (TASS)—Rebel supporters of ex-President Zviad Gamsakhurdia cut off on Wednesday [3 November] the vital Poti-Tbilisi railway in western Georgia. A group of about two hundred Zviadists backed by armour blocked a section of the track near the village of Sabajo in the vicinity of the Black Sea port of Poti, mined the track and established several machine-gun emplacements. Russian troops assigned to take the road under protection refrain from direct combat actions against the raiders.

Under the current circumstances, the Georgian leadership pins hope on arrival in Poti of the Black Sea naval squadron which is expected on Wednesday. It believes the navy will help to deblock the railway and secure its protection from Poti to Tbilisi.

A source in the Black Sea Fleet headquarters told Tass that "the ships plan a major landing operation on the Georgian coast to take under protection railways and roads".

Nine warships of the Black Sea Fleet left on Tuesday the naval base in Sevastopol and headed for the eastern part of the sea to protect merchant shipping and two Georgian sea ports of Poti and Batumi.

The mission is accomplished in conformity with an accord reached by Russia, Georgia, Armenia and Azerbaijan and with a consent of Ukrainian President Leonid Kravchuk.

The squadron flying the flag of the fleet's commander Admiral Eduard Baltin consists of two escort ships, three big landing ships, one medium landing ship, a minesweeper, a submarine chaser and a tanker.

Roundup of Recent Military Developments

PM0311094593 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 2

[Valeriy Russu report: "Georgian Government Troops Take Back Lost Cities"]

[Text] Tbilisi—The events of the past weekend have held all Georgia in a state of tension. Undertaking a counteroffensive, the supporters of Zviad Gamsakhurdia evicted government troops from Khobi and Senaki. According to some reports, the ex-president's armed formations were able to achieve success thanks to aid from Abkhazia and the Confederation of Caucasus Peoples.

But by the end of 31 October, as a result of bitter and bloody fighting, regular army units had managed to reestablish control over Senaki. According to the information of the republic Ministry of Defense's duty officer, by 2000 hours 1 November government troops were in control of the city and its environs. He also reported that skirmishes continued all night around Senaki, as a result of which various bands of the ex-president's supporters were destroyed. Presumably, government forces will today attempt to regain control of Khobi also.

The critical situation which developed on the front line in the last days of October forced head of state E. Shevardnadze to journey to the combat zone in order to raise the fighting spirit of his soldiers.

On 30 and 31 October Georgian head of state Shevardnadze met with members of mechanized groups of the Group of Russian Forces in the Transcaucasus guarding the Poti-Samtredia-Tbilisi railroad. He expressed satisfaction with the security of strategic mainlines [magistrali] and the adjacent territories and with the coordination of the actions of Russian and Georgian servicemen under the agreement reached. In Shevardnadze's words, the leadership of Armenia and Azerbaijan is displaying understandable restraint and caution on this issue, so as to avoid awkwardness between neighbors. The Georgian side views the position of Baku and Yerevan with understanding, and is not showing especial insistence over the solution of this question.

Two more unpleasant incidents for Russian servicemen occurred in the west of Georgia 30 October. At 0930 around Senaki and at 1125 near Samtredia armed forces loyal to the ex-president attacked the posts of Russian servicemen guarding the railroad.

The post near the city of Senaki was also shelled by artillery weapons. After the Russian servicemen returned fire, Gamsakhurdia's supporters retreated and entrenched themselves 1 km south of the city of Abasha.

Commenting on these two events, Major General B. Dyukov, commander of the Group of Russian Forces in the Transcaucasus, said that our posts near Senaki were left without cover following the retreat of government forces.

At the Georgian Defense Ministry press center they were unable to explain from where in the Samtredia region the ex-president's armed supporters had appeared. Press center staffers assume that there were most likely saboteur groups who had been sent to the rear of the government troops.

During Shevardnadze's visit to West Georgia he stressed in one interview that Russian troops will not participate in combat operations but only fulfill their assigned tasks of guarding communications. Replying to a correspondent's question as to whether it is possible to speak of a civil war in Georgia, the head of state said: "Unfortunately this is virtually civil war."

Police Join Russian Troops in Railway Protection

LD0311111193 Moscow ITAR-TASS in English 1043 GMT 3 Nov 93

[By ITAR-TASS correspondent Tengiz Dzhibuti]

[Text] Moscow November 3 TASS—Georgian interior troops were sent to fight saboteurs from among supporters of ex-president Zviad Gamsakhurdia in western Georgia. This makes it easier for the Russian troops to guard railways, Gennadiy Dolgachev, head of the press-centre of the Transcaucasus-based Russian troops told ITAR-TASS by telephone on Wednesday.

According to Dolgachev, there were no assaults and provocations over the past twenty four hours. The situation is returning back to normal. Passenger and freight trains pass the Senaki-Kutaisi railway section under the guard of a Russian soldiers.

It was earlier reported that Georgian troops guarding communiction links were sent to reinforce units assaulting the armed opposition near the city of Khobi, while Russian soldiers stayed.

Local residents "receive the help with understanding and gratitude", state minister for western Georgia affairs, police Major-General Givi Lominadze told ITAR-TASS by telephone on Wednesday.

Gamsakhurdia Says Russia Seeking To Occupy Country

AU0311073593 Prague LIDOVE NOVINY in Czech 30 Oct 93 pp 1, 8

[Interview with former President Zviad Gamsakhurdia by Petra Prochazkova in Zugdidi; date not given—first two paragraphs are LIDOVE NOVINY's introduction]

[Text] LIDOVE NOVINY correspondent Petra Prochazkova managed under dramatic circumstances to reach the Georgian city of Zugdidi. There she was arrested, and her passport was taken away. Eventually, she was liberated by Abkhaz warriors. The last news we have of her is from Sochi, where she has apparently been arrested again.

The deposed Georgian President Zviad Gamsakhurdia granted LIDOVE NOVINY an interview in his temporary residence in the West Georgian city of Zugdidi. At the time we spoke with Mr. Gamsakhurdia, the city was in turmoil. A part of the population was in panic. Firing could be heard from heavy artillery. Troops loyal to Shevarnadze were approximately 30 kilometers from Zugdidi. Military assistance arrived in town from Abkhazia at the last moment. The so-called Zviadites went onto the offensive. There is almost no food in the city, the telephones do not work, and there is no gas. "We are in a very difficult situation," Gamsakhurdia told us. "We are fighting, and 170,000 refugees arrived here from Abkhazia. Nobody writes about it. They say that there are only a few thousands refugees in Zugdidi. They should be ashamed of themselves. About 50 people live now in every family. We are completely surrounded. They can bring here neither bread nor medical supplies."

[Prochazkova] At first, you achieved great military successes. You were in control of 62 percent of West Georgian territory. Today, you have practically only Zugdidi left. Where do you see the cause of this turnaround?

[Gamsakhurdia] There is only one cause—Russia. The Russian Army confronted us and, believe me, this was a great military strength. We have much evidence that the Russian Army took part in the fighting. We have Russian

POWs, for instance. There are videorecordings that clearly show the Russian presence.

[Prochazkova] What, do you believe, Russia is after?

[Gamsakhurdia] They want an occupation, the second occupation of Georgia. What the Soviet Army wanted in Czechoslovakia in 1968, it wants the same thing here now.

[Prochazkova] It is rumored that some Caucasian peoples are fighting on your side. I myself have seen Abkhaz soldiers in Zugdidi....

[Gamsakhurdia] That is not true. Abkhazians came most likely for a visit. No Caucasian peoples fight on our side.

[Prochazkova] If you managed to capture Tbilisi and you recovered presidential powers, what would be your first step?

[Gamsakhurdia] I would immediately declare national atonement and an amnesty for all who do not have major crimes on their conscience. I would bring about a nationwide truce and forgiveness.

[Prochazkova] Do you believe that now, when so many people have died, you could still sit down with Shevarnadze at the same table and reach a consensus?

[Gamsakhurdia] Everything can still be stopped. I will not sit down with him at the same table before he recognizes the legal government of Georgia and deals with me as with a properly elected president.

[Prochazkova] How do you explain the fact that practically none of the world politicians supports you?

[Gamsakhurdia] I know that right is on our side. They are all afraid of Russia. It is not just the fear of a nuclear power but also different times. Today, everybody wants to cooperate with Russia because it is economically advantageous. It is likely that as soon as we, the legally elected Georgian parliament, council, and president, recover our power, they all will again begin to support us.

New Appointments in Areas Controled by State Forces

LD0211202493 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 2 Nov 93

[Text] By the head of state's decree a Senaki inhabitant, Tariel Dgebuadze, has been appointed as a head of the Senaki town council. This designation has been welcomed by the local population. Also a local inhabitant, Gocha Dakachia, has been appointed as the head of the Senaki police.

A number of new appointments have been made in Abasha and Martvili [former Gegechkori] Rayons and in the town of Poti.

Caucasion Confederation Sends Letter to Shevardnadze

LD0211194593 Moscow Russian Television Network in Russian 1700 GMT 2 Nov 93

[From the "Vesti" newscast]

[Text] The parliament and the presidential council of the Confederation of Caucasian People sent a message today to Georgian head of state Eduard Shevardnadze. The letter expresses serious concern in connection with the so-called policy of revenge with regard to Abkhazia. The authors of the letter hope that Eduard Shevardnadze will alter his position toward a people that have opted for self-determination.

The other day, the same authors sent a letter to Russian President Boris Yeltsin demanding that the economic blockade be lifted. The Abkhazian people and its leadership have firmly decided to make every effort to establish political stability and restore the economy in the republic in the near future. The economic blockade imposed by Russia is the only obstacle.

Butrus-Ghali Sends Reassurances to Shevardnadze

LD0211201593 Moscow INTERFAX in English 1746 GMT 2 Nov 93

[Report prepared Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature]

[Text] UN Secretary General Butrus Butrus-Ghali has assured the Georgian leader Eduard Shevardnadze of the world community's support and solidarity at these difficult times for Georgia. The United Nations, says Butrus Butrus Ghali in a letter to Shevardnadze, has done and will do everything to respond to the needs and demands of the innocent civilian population which suffered during the Georgian- Abkhazian conflict.

Butrus Butrus Ghali said that he met Shevardnadze's request by convening a special Security Council meeting and adopting Resolution No. 876, where he again denounced the flagrant violation by Abkhazia of the cease-fire agreement and the assassination of the chairman of the Abkhazian Defense Council and the Council of Minister Zhiuli Shartava, (who was killed as a POW after the fall of Sukhumi—IF [INTERFAX]).

Butrus Butrus Ghali also said that a group of the UN Human Rights Geneva Conference had arrived in the zone of conflict to verify facts of the human rights violation in Abkhazia.

Butrus Butrus Ghali assured Shevardnadze that through his envoy Edward Brunner he would do his best to achieve a political settlement acceptable for both conflicting sides.

IF Note: Earlier Shevardnadze repeatedly said he was interested that the United Nations make more active its role in settling the conflict. Experts believe the message by the UN Secretary General indicates, on the one hand, a change in the stance of the world community's executive bodies towards the Georgian-Abkhazian conflict. However, Tbilisi observers see that Butrus Butrus Ghali's message does not mention the possible use of force against the violator of the Sochi truce.

Red Cross Suspends Activities in Mingrelia

LD0211215293 Moscow ITAR-TASS in English 2124 GMT 2 Nov 93

[By ITAR-TASS correspondent Konstantin Pribytkov]

[Text] Geneva November 2 TASS—The International Red Cross Committee has had to suspend its activities in Mingrelia, western Georgia, due to the increased danger to its representatives.

The decision was taken after an incident in Zugdidi on the eve of October 27, says a communique circulated today at the Red Cross Geneva headquarters. Three cars carrying the Red Cross emblem were stopped by armed people and staffers of the humanitarian organization were subjected to interrogation.

The Red Cross representatives had to leave western Georgia on October 27 as their further mission became impossible due to the absence of safety guarantees. They left medicines and three vehicles they used to carry the aid in Zugdidi.

The International Red Cross Committee states once again that any use of the Red Cross emblem in military purposes is a gross violation of the international humanitarian law, says the document. The committee demands that the conflicting sides take all measures to prevent cases of disrespectful treatment of the Red Cross.

The Red Cross representatives arrived in Mingrelia in early October. They have helped tens of thousands of refugees from Abkhazia by supplying them foodstuffs and prime necessities. The humanitarian organization has much helped hospitals.

The communique stressed the Red Cross readiness to resume its activities in western Georgia after the situation becomes less dangerous.

Talks Held on Exchanges of Prisoners

LD0311111993 Tbilisi Radio Tbilisi Network in Georgian 0900 GMT 3 Nov 93

[Text] This information comes from Zugdidi [Gamsakhurdia's stronghold]. Representatives of the Georgian Defense Ministry press service, Soso Margishvili [head of the press center], and Koba Liklikadze [not further identified], are holding talks with Kobalia on the exchange of prisoners.

Also, reports from Abasha say that refugees arriving from Zugdidi report that former president Gamsakhurdia has moved his headquarters from Zugdidi to the Achigvara vocational training school in Gali, Abkhazia. Refugees speak of a rift between Gamsakhurdia and Loti Kobalia. The former president is said to have replaced Kobalia with a certain Zarandia who, by decree of Ardzinba, is the acting commandant of Gali.

Minimum Wage Raised; Bread Price Hike Compensated

NC0111194093 Yerevan SNARK in English 1309 GMT 1 Nov 93

[Text] Tbilisi, November 1 (SNARK)—Tomorrow the minimal salary is being increased in Georgia—the decree of the Georgian Government says: The employees will receive 23 thousand coupons instead of 4.5 thousand coupons. The salary of the budget organizations will be increased for 150 per cent. The Georgian Government is foreseeing 113 billion coupons for the November-April salary. In connection with the bread price increase in November-December there will be compensation for 6,000 coupons.

Estonia

Laar Discusses Status of Ties With Russia

PM2910114593 Moscow ROSSIYSKAYA GAZETA in Russian 27 Oct 93 First Edition p 7

[Interview with Prime Minister Mart Laar by RIA NOVOSTI correspondent Igor Klyuyev for ROSSIYSKAYA GAZETA; place and date not given: "We Can Be Good Neighbors"]

[Text] [Klyuyev] Prime Minister, during a recent visit to Estonia, Danish Foreign Minister Niels Petersen said that Estonian-Russian relations will never sort themselves out. The reason lies in the fact that Russia is having difficulty in assessing its past, he stressed, while Estonia does not want to admit the need for cooperation with Russia at all. Is it true that Estonia does not want to cooperate with Russia?

[Laar] Existing Estonian-Russian relations at interstate level are being complicated by the presence of a number of unresolved problems which are retarding the development of our good-neighborly relations. In the first instance, I would single out the circumstance that the following important interstate treaties between our countries have not yet been signed: on the withdrawal of Russian troops from Estonia's territory; on economic cooperation; on most-favored-nation status in trade; on social provision for the citizens of both states.... That is, there is a lack of mechanisms which, if put into operation, would pave the way for the aforesaid statements. But the most annoying thing is that almost all of these treaties have long since been ready. It only remains to sign and implement them.

[Klyuyev] Mr. Laar, how will the "October events" in Moscow affect the further development of bilateral relations?

[Laar] Everything that happened in Moscow 3-4 October was very tragic. But at the same time, I am sure that these specific events will lead to positive changes, primarily in Russia itself: Economic reforms will be speeded up, the democratization of society will continue, and stability will be established in the country. All this, taken together, is the best guarantee for Estonia in terms of the continued improvement of our bilateral relations. We hope that this month will see a positive shift in the negotiating process between our countries.

For our part, we would be satisfied if in the course of their work the experts were to conclude a protocol on a timetable for the withdrawal of the Russian troops. After all, we are talking about 3,500 servicemen. This is not a number which should be a stumbling block in our relations. Particularly when we know of the allocation of funds by the United States and Denmark for the construction of housing for the Russian servicemen. Estonia is also prepared to participate in this process by using all its potential to effect the final withdrawal of the troops in a civilized way.

[Klyuyev] What is the present state of development in Estonian-Russian economic relations?

[Laar] As of today the volume of trade with the Russian Federation comprises approximately 15-20 percent of the overall volume of Estonia's trade with foreign countries. But in terms of trade turnover as a whole with our republic, Russia occupies second place after Finland, and is slightly ahead of Sweden. These figures are not bad, particularly in the absence of important economic treaties between the countries. For example, the treaty on free trade. After all, it was ready for signing 18 months ago.

Another treaty which we are ready to sign with Russia is the treaty on guarantees for the transit via Estonian territory of various types of cargo destined for Russia or being exported from it. I myself wrote about this to Mr. V. Chernomyrdin. The volume of such shipments is growing, but in this matter we must have clarity and a specific guarantee for commodity traffic. There is no great economic advantage for us here, but this is by no means a superfluous brick in the construction of the edifice of good-neighborly relations.

[Klyuyev] But maybe things are better between private firms and their Russian partners?

[Laar] I would assess cooperation between private companies as very good. Around 100 firms, including joint Estonian-Russian firms or even those in which Western capital is involved, have very close contacts with Russia. This fact generated the idea of creating a Russian-Estonian trade center in Tallinn, a kind of business center. Our government actively supports this idea.

The creation of such a center will in no way harm the contacts of the Estonian-Russian chamber of entrepreneurs resident in Estonia, which is working successfully already. Personally, I am very pleased that "Russian business" is flourishing in Estonia and its representatives are establishing increasingly firm ties with the Russian side.

We have long wanted to meet with both the president and the prime minister of the Russian Federation. We need to get together, make important political decisions, and proceed further along the path of strengthening our multilateral cooperation, which is very useful to both sides. We have every opportunity to be good neighbors.

Editor Responds to Laar's Comments

PM2910120593 Moscow ROSSIYSKAYA GAZETA in Russian 27 Oct 93 First Edition p 7

[Commentary by Aleksandr Shinkin: "We Can Be Good Neighbors"]

[Text] From the editorial office:

The problem of relations between Russia and Estonia is not a new one for ROSSIYSKAYA GAZETA readers.

Materials dealing in detail with the submerged reefs which are hindering the negotiating process have been published in its pages.

It is hard to agree with Estonian Prime Minister Mart Laar's viewpoint. The head of government is once again accusing the Russian side of not wanting to sign economic agreements. Although he does not explain the reasons why Russia does not want to do so.

And I think it is worth recalling them. Russia wants to sign all agreements with Estonia on the basis of the Treaty on the Fundamentals of Interstate Relations dated 12 January 1991 and on condition of the full implementation of its points by both sides. The Russian side has repeatedly stated this publicly.

But whereas Russia is talking about this and is in practice strictly adhering to the letter and spirit of the treaty, the Estonian side does not want to implement the points which concern, primarily, human rights in respect of the so-called Russian-speaking population. As a result, over one-third of Estonia's inhabitants have been deprived of political, social, and economic rights. That is, over 500,000 permanent residents of Estonia have been refused basic human living conditions.

Moreover, laws are being issued here which have retroactive force only in respect of the nonindigenous population. These include the laws on aliens and on citizenship, the emigration law, and others.

All this is forcing Russia, which is fulfilling the commitments it has assumed, to proceed cautiously in relation to a neighbor which wants to apply double standards in respect of the signed treaties.

The prime minister also sidestepped another problem concerning mutual advantage from the agreements which have been concluded. After all, it is no secret that the Estonian leadership is gearing the republic's production purely to the Western market. And it sees the East, that is, Russia and the CIS countries, as a base for cheap raw materials. No one here is thinking of reestablishing the republic's industry, which incidentally was 80 percent integrated in Russia. Particularly since it is mainly nonindigenous inhabitants who work in it.

Of course, Russia, like Estonia, wants to be a good neighbor. But truly it is hard to be one when you see your children humiliated and insulted. Russia wants to protect them. That is Russia's duty and commitment.

Bomb Explodes Outside Tallinn Police Station

WS0111130893 Tallinn ETA NEWS RELEASE in English 1618 GMT 29 Oct 93

[Text] Tallinn, October 29—Late at night on Thursday [28 October], a small bomb blast in front of Tallinn's Kadriorg Police Station, ruining three cars and shattering the windows of the building. No people were injured.

Of several bomb blasts and threats in Tallinn lately, it is the first time a police station has been attacked. Tallinn Police Prefecture is situated at the neighboring house.

Tallinn Police Prefecture told ETA that the investigation will be conducted by the Defence Police and the Prefecture. Tallinn Police intends to start operations to prevent similar accidents in the future.

One Killed by Car Bomb Near Tallinn College

LD0211102193 Tallinn Radio Tallinn Network in Estonian 0700 GMT 2 Nov 93

[Text] During last night the first car bomb victim in Estonia—(Genrik Akopyan)—died in Tallinn at Mustamae Hospital. He is the first car bomb victim in Estonia. He was injured yesterday when a bomb went off in his car, in Tallinn, near Tallinn technical college.

Eight Military Sites Taken Over in Paldiski

WS2910134193 Tallinn ETA NEWS BULLETIN in English 0846 GMT 29 Oct 93

[From 29 October HOMMIKULEHT, p 4]

[Text] Friday, October 29—The Estonian Defence Forces have taken over eight sites in Paldiski, including both ports, administrative buildings, three barracks and an army base, Defence Ministry Chancellor Hannes Walter announced. The northern port, the army base and one barracks building will remain to the Defence Ministry, while the southern port will be turned over to the Transport Ministry and the administrative buildings to the Interior Ministry, he added.

Defense To Take 5 Percent of 1994 Budget

LD2910185793 Moscow ECONOMIC NEWS AGENCY in Russian 1600 GMT 29 Oct 93

[Text] The Estonian Defense Ministry is due to receive around 5 percent (265.886 million karbovantsy) [currency as received] of the budget in 1994. Of this sum, 141.6 million karbovantsy will go to special equipment and servicing for the armed forces, and 85.073 million karbovantsy will go to salaries, social taxes, and outlay by military units.

Parliament Decides No Law on Israeli Arms Deal Needed

WS2910134693 Tallinn ETA NEWS RELEASE in English 2112 GMT 28 Oct 93

[Text] Tallinn, October 28—Estonian Parliament decided on Thursday [28 October] not to make a proposition to the government to prepare a draft law on ratifying arms deal with an Israeli TAAS company, with 40 votes for and 8 against the law, with 5 abstentions. According to the constitution 51 affirmative votes would have been needed.

Estonia's government concluded the deal with TAAS Israel Industries Ltd. in January 1993 agreeing to pay $49 million in eight years following arms deliveries.

In mid-September prominent Estonian politicians, including two ex-Premiers, accused the government of irresponsible transaction.

They accused Laar in denying the government had received credits and issued bills of exchange in order to pay for the weapons. Legally, bills can be guaranteed only through the Riigikogu [parliament] and the national budget, they said.

An oppositionist MP, Juri Toomepuu, claimed he will start proceedings against Prime Minister Mart Laar at the Tallinn City Court, on Friday, aiming at compensating the moral and financial damage caused to him and the Estonian state for the unfavourable arms deal and intentional wrong information.

Toomepuu told ETA that Laar had caused him moral damage by presenting wrong information at the Riigikogu on September 14, stating that the arms deal involved no credits, and arms would be paid for after deliveries. Toomepuu argues that the arms deal involves a credit and property obligations which, without Riigikogu approving it, is directly against constitution.

Toomepuu demanded 1075.86 [as received] kroons for financial damage caused to him as a tax payer and 10 million kroons for moral damage. He gave Laar time to compensate the damage without suing him till Thursday night.

Latvia

Saeima Passes Budget Amendments

LD2910121993 Riga Radio Riga Network in Russian 2100 GMT 28 Oct 93

[Text] Today, by a majority of votes, the Saeima of Latvia passed a law on changes to the law of 23 March 1993 on the state budget for 1993. As a result of the changes, the budget deficit will reach 30.2 million lats. It is proposed to cover this from the G-24 credit, a credit from the Bank of Latvia, and with the help of an internal state loan.

The law envisages lowering budget spending by 10 percent, with the exception of allocations to finance special measures, structures of state authority, science, and also some ministries and state institutions. In addition, the law envisages increasing spending on pension payments by almost 10 million lats. The budget reserve will amount to about 16 million lats, including 4 million lats for payment of benefits to poor people and 3 million lats to increase wages of staff in state-financed institutions. The law comes into force from the time of publication.

Lithuania

Prime Minister Reviews First 200 Days in Office

WS0111093093 Vilnius TIESA in Lithuanian 21 Oct 93 No. 205 p 4

[Interview with Prime Minister Adolfas Slezevicius by ELTA; place and date not given—first paragraph is TIESA introduction]

[Excerpt] It has been 200 days since the Seimas of the Republic of Lithuania approved the government headed by Adolfas Slezevicius. On this occasion, an ELTA correspondent has asked the prime minister to answer a few questions.

[ELTA] **During this period, the government has worked on the establishment and strengthening of a market economy, and enhanced our country's role in foreign policy. Can we state that more rapid and effective reform was hampered not only by objective difficulties in restructuring the economy, but also due to other reasons—you had to correct decisions of previous governments, while some economic units were longing for a planned economy?**

[Slezevicius] The country's mass media, radio, and television have amply reported on the work of former governments. Thus, I would not like to comment on their activities today. We presented a thorough account of our activities to the public after our first 100 days in office. However, 200 days is hard work rather than a celebration. During the first 100 days, we were resolving cardinal problems of economic reform in general. The most important fact is that the sixth government has managed to stabilize the country's economy and to curb inflation. For example, in June, the rate of wage increases exceeded that of the price growth for the first time, and the actual wages rose by 5.2 percent. In March, the average pension accounted for 28 percent of the average salary in the state sector, while in September it was 33 percent. Between April and September of 1992, inflation was 149 percent, while in the second and third quarters of this year it dropped from 49 to 8 percent, respectively.

It is difficult to speak about an increase in people's living standards for now. However, while visiting different regions, I heard people themselves say that a certain economic stabilization was perceptible, and that the time for rallies and enemy hunting had ended. I think that the current government has managed to remove the confrontation that has accompanied the Lithuanian people for the last three years. People have realized that life cannot be improved by rallies or strikes, but by hard daily labor that will help us climb out of a deep economic hole.

[ELTA] **Recently, the government adopted the National Agrarian Program and measures to implement it. This program provides for preferential credits to farmers and tax privileges. However, farmers are preparing for a strike**

all the same. Organizers claim that this strike may not take place, if the government adopts decisions meeting the protesters' demands.

[Slezevicius] If the government approves the procurement price of 30-35 cents per kilogram for milk, prices for butter, cheese, cream, and other dairy products would increase two- or three-fold. If the state supports producers alone, consumers will suffer. Considering the farmers' request to protect the domestic market from cheap imports, the government has introduced customs duties. Our aim is to support, for example, producers of sugar beets, as well as to prevent the sugar refining industry from violating the interests of all inhabitants, because the latter cannot buy cheaper sugar. Such customs policy cannot last long.

The debt for processing enterprises to farmers has dropped three- fold. Recently, however, it began to increase again. The government will propose to amend the Lithuanian Bank Statute which forbids using its profit for economic purposes. This considerable profit is used for everything except to support the economy. A decision has been adopted to write off finances from indebted stores, and transfer them to creditors without a dispute. This will also reduce the debt, because traders are indebted to farmers even more than processing enterprises. Such problems must not be resolved by strikes. Their organizers should understand that this will harm the farmers themselves. We should look for a compromise.

[ELTA] **What foreign policy moves accomplished by the government in this period would you single out?**

[Slezevicius] The Russian Army withdrawal is the most important issue. It has opened broad possibilities for Lithuania to conduct its independent foreign policy.

The Baltic states have signed a trilateral free trade agreement. Visa and customs regimes will also be coordinated.

We have signed free trade agreements with Switzerland, Sweden, Norway, and Finland, and an economic and trade agreement with Iceland. A very important draft agreement with Russia on trade and economic contacts is nearing completion.

During my visit to the United States, I agreed with the U.S. Export and Import Bank on the possibility of financing major projects (oil terminal, reconstruction of the Ignalina nuclear power station) and ensuring U.S. investments in Lithuania.

Foreign economic policy is closely associated with foreign investments in our country. We have 2,785 joint ventures with foreign capital, and their capital stock has already reached 175.6 million litai.

There are plans to draft a free trade agreement between the EC and the Baltic states. We have signed an indicative program for 1993-94 with the EC Technological Aid Commission for East and Central European Countries (PHARE), which provides for a 25-million- ECU aid to Lithuania.

We are continuing our dialogue with the IMF. Although some opponents have claimed that the IMF will not help our country, an economic policy memorandum will already be signed on 22 October.

[ELTA] **All Lithuanian people are concerned about the situation in law enforcement. Will the government allot more money from its 1994 budget to these institutions?**

[Slezevicius] The government has earmarked large funds for law enforcement from its paltry budget—to acquire new facilities, increase salaries, and for other needs. We are looking at other possibilities for establishing new structures to combat crime.

Certainly, next year the government will not begrudge funds for law enforcement. Another issue is how these institutions will deal with organized crime. The government will propose that the Seimas extend the functioning of the article on preventive detention in the law on operative activities.

[ELTA] **Is it true that the government is drafting a law on the VAT which will also apply to newspapers?**

[Slezevicius] The excise duty for newspapers will be revoked as of 1 November. We also suggest that the Seimas does not impose the VAT on publications. [passage omitted]

Deputy Foreign Minister Januska on Economic Ties

WS0211130093 Vilnius RESPUBLIKA in Lithuanian 13 Oct 93 No. 199 p

[Interview with Deputy Foreign Minister Albinas Januska by Violeta Gaizauskaite; place and date not given; under the "Opinions" rubric: "Control Is Impossible, but Influence Must Be Exerted"—first paragraph is RESPUBLIKA introduction]

[Text] Lithuanian foreign policy is a sphere where politicians' opinions often clash, and the public does not avoid expressing its views. There is no shortage of original ideas. Recently, one politician proposed moving NATO headquarters to Kaliningrad. The Lithuanian president has received a letter expressing the desire that our state borders be moved beyond the "Lithuanian Ararat"—the Great Dune in the Curonian Spit. The outlines of Eslalia [acronym formed from names of the three Baltic states] are being shaped....

[Gaizauskaite] **Lithuanian President A. Brazauskas has assessed the withdrawal of Russian troops as an "achievement of our young diplomacy." Its significance probably came to light during recent events in Moscow. However, the nature of our relations with Russia remains a foreign policy issue that is difficult to solve. In your opinion, what aspects of this problem should be emphasized today?**

[Januska] The strategic problem of regulating relations between our countries remains even after the Russian Army withdrawal. Lithuania's security continues to be problematic: The Russian Army is still present in Latvia and Estonia, and much of it is concentrated in the neighboring Kaliningrad Oblast. Many problems arise from the transit of Russian troops withdrawing from Germany through Lithuania. Lithuanian politicians engage in heated debates on the nature of economic relations with Russia. Their opinions often differ in principle. For example, one ambassador tries to prove that Lithuania must sever all imperial ties with Russia, a legal successor to the USSR. On the other hand, we hear voices that we will not survive without Russia. I think that we can talk about some balanced relations in this case rather than the only correct position.

[Gaizauskaite] **Lithuanian foreign policymakers have been talking about balanced relations between Lithuania and Russia, and other neighboring countries, the coordination of interests, and the "governing of influences" from great powers for a long time. However, any real moves are still difficult to see....**

[Januska] Such a balance is possible only if the world opens up more. A great dependence on the East may be offset by close cooperation among the Baltic states and with Nordic countries, and through integration with the EC. We cannot say that nothing has been accomplished. We have signed a trilateral free trade agreement with Latvia and Estonia. The same agreement has been concluded with Sweden which has not renounced it, even though it had certain problems with the EC because of it. True, Lithuania is still negotiating its land and sea borders with its neighbors—their delimitation and demarcation is a difficult process.

[Gaizauskaite] **Thus far, however, the arrival of CIS citizens to our country has been uncontrolled. Our citizens' possibilities of travelling to Western countries are still limited.**

[Januska] Lithuania's decision to introduce visas for CIS citizens effective 1 November will be an important factor in its cooperation and integration with the EC. Lithuanian citizens can travel without visas to Great Britain and Denmark. According to the (Schengen) agreement, no visas will be necessary for any of the EC countries—having a visa to one EC country, a person will be able to travel anywhere. We should seek its application to Lithuania. We will also struggle for agreements on visa-free travel with other EC countries.

[Gaizauskaite] **It is strange that despite the long preparations for the introduction of a visa regime for CIS citizens, not a single Lithuanian consulate has been opened in Kaliningrad Oblast. Meanwhile, we have an embassy in Poland to which we can travel without visas, and recently a consulate was opened there.**

[Januska] I suppose that our consulate is necessary in Poland, where our citizens' traffic is heavy. We are also going to open a consulate in Kaliningrad. We are interested in simplifying the visa regime in this area, which must be regulated by a separate agreement. We hope that there will be no lines at the Lithuanian missions in Moscow and St. Petersburg. A CIS citizen who has an invitation from Lithuania should be able to obtain a visa at the border. We could sign a protocol on the general principles of border crossing with the Russian Federation. We should conclude an agreement only after we make clear all the problems that we have in practice.

[Gaizauskaite] **At a meeting of the Lithuanian, Latvian, and Estonian parliamentary delegations in September in Riga, our representatives proposed drafting a statute of a Baltic States' Council of Ministers. Does this mean that all the existing structures are ineffective?**

[Januska] Baltic parliamentarians maintain relations through the Baltic Assembly. However, the latter's decisions are often left hanging in the air, because there is no institution that would coordinate their implementation. The activities of the Council for Economic Cooperation have faded. We must prepare very seriously for the establishment of the Baltic States' Council of Ministers, because if we fail again, there may be no third time. It is obvious, however, that an institution under one or another name guaranteeing effective cooperation on a government level is necessary. I think that a separate agreement should define the functions and the interaction of trilateral cooperation. All this should be discussed at the Baltic Assembly session in late October.

[Gaizauskaite] **Not only the foreign press but also several officials have expressed the opinion that economic reform in Lithuania is faltering, and, therefore, the prospect of a "trilateral entente" should be assessed with caution.**

[Januska] Differences are really perceptible in assessing the economic situation and the process of reform in the three countries. One cannot claim, however, that these assessments are always adequate. Estonians are constantly stressing that trade with Western countries accounts for over 60 percent in their foreign trade turnover, and that they are indeed ready to open their market and integrate into the EC together with Finland and Sweden. I suppose that this position is unrealistic, because trade turnover does not reflect the situation in production. Estonia deals not only with its own products, and this is important when concluding a free trade agreement with the EC. Lithuania was the first Baltic state to submit its proposals to the EC concerning free trade. In our view, the EC could open its markets in five years, while we could do the same in 10 years, because we see not only positive consequences of free trade. To integrate with the EC, first of all, we must show that we know how to coordinate the political and economic moves of the Baltic states.

[Gaizauskaite] **Lithuania cannot yet boast of foreign investments, even though our recent foreign policy has**

stressed the necessity of expanding economic ties. How would you assess the activities of the Foreign Ministry from this viewpoint?

[Januska] Under expanding market relations, the government cannot fully control economic ties. It is companies rather than the state that invest in one or another country. The total capital investments in the Lithuanian economy come to 350 million litai. However, foreign capital accounts for only 3.7 percent of this sum. Each Lithuanian embassy has an economic counselor who will not resolve this problem. State structures can contribute to the effective expansion of relations with only those countries still having a centralized system of supplies. However, non-state institutions should be more active in the West—for example, chambers of commerce and industry, associations of businessmen and industrialists, and so on. I think that officials sent abroad with taxpayers' money will not resolve this problem—the work of people risking their capital is most effective.